Stock code: 6220

YFC-BONEAGLE ELECTRIC CO., LTD.

2026 Annual General Shareholders' Meeting Handbook

Date: June 9, 2026

Location: 4F., No. 370, Zhongshan Rd., Xinwu Dist., Taoyuan City
(Xinwu Dist. Women & Children Affairs Building)

The 2026 AGM will be convened physically.

This English version is a translation based on the original Chinese version. Where any discrepancy arises between the two versions, the Chinese version shall prevail.

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1. Call Meeting to Order

2. Chairman's Address

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2026 Annual General Shareholders' Meeting Agenda

Time: June 9, 2026. 9:00 a.m.

Location: 4F., No. 370, Zhongshan Rd., Xinwu Dist., Taoyuan City

(Xinwu Dist. Women & Children Affairs Building)

Chairman calls the Meeting to order and delivers an opening address

A. Report Items:

1. Overview of 2025 Operations and Performance Report
2. Audit Committee's Review Report of 2025 Financial Statements
3. Report on the Distribution of Employee and Director Remuneration for Fiscal Year 2025
4. Distribution of Profits in Cash Dividends in 2025
5. Report on the Revision of "Sustainable Development Best Practice Principles"

B. Ratification Items:

1. Approval of the 2025 Business Report and Financial Statements
2. Adoption of the proposal for 2025 Earnings Distribution

C. Discussion Items:

1. Proposal to Release the Directors from Non-competition Restrictions

D. Extempore Motions

E. Adjournment

A. Report Items

1. Overview of the 2025 Operations and Performance Report

Explanation: Please refer to Attachment 1. (Page 6-11)

2. Audit Committee's Review Report on the 2025 Financial Statements

Explanation: Please refer to Attachment 2. (Page 12)

3. Report on the Distribution of Employee and Director Remuneration for FY2025

Explanation:
(1) Pursuant to Article 20 of the Company's Articles of Incorporation, if the Company records a profit for the year (i.e., income before tax and before the distribution of employee and director remuneration), no less than 6% shall be allocated as employee remuneration and no more than 4% as director remuneration.
(2) FY 2025, the Company's income before tax and before the distribution of employee and director remuneration amounts to NT$168,939,931. In accordance with the Articles of Incorporation, it is proposed to allocate 8.88% (NT$15,000,000) as employee remuneration and 1.78% (NT$3,000,000) as director remuneration. Both will be distributed in cash.
(3) The amounts of employee remuneration and director remuneration are consistent with the estimated provisions for FY2025.

4. Distribution of Profits in Cash Dividends to Shareholders in 2025

Explanation:
(1) In accordance with Article 20-1 of the Articles of Incorporation, the Board of Directors is authorized to distribute all or part of the dividends and bonuses in cash and submit such distribution resolution to the shareholders' meeting.

(2) It is proposed to distribute shareholder cash dividends of NT$102,523,848 (NT$0.7 per share). Cash dividend would be distributed to 1 NT dollar (rounded down to an integer), fractional amount in this cash dividend distribution shall be included as other income of the Company.

(3) The Board has approved the distribution proposal and is authorized to set the ex-dividend and payment date and other related matters. However, later if the outstanding share number changes due to requirements of competent authority, changes in laws, re-purchases of Company shares, or conversions of issued convertible bonds, causing impacts on the dividend payout ratio. It is proposed to the Meeting to authorize the Chairman with sole discretion.

5. Amendment to the "Sustainable Development Best Practice Principles"

Explanation: To comply with the competent authority's reinforcement of sustainability and corporate governance disclosures and to align with the Company's sustainable development policies, certain articles of the "Sustainable Development Best Practice Principles" have been amended. Please refer to Attachment 3 on page (13-14) for the Comparison Table of Amended Articles.

B. Ratification Items

Item 1. **<u>Proposed by the Board</u>**

Proposal: Approval of the 2025 Business Report and Financial Statements

Explanation: (1) The 2025 Individual Financial Statements and Consolidated Financial Statements were audited by KPMG Taiwan independent accountants Chiu-Hua Hsieh and Fang-Yi Lee. The Financial Statements and Business Report have been examined and approved by the Audit Committee, and a report issued thereon.

(2) Please refer to Attachment 1 (Page6-11) for Business Report, Attachment 4 (Page15-34) for Independent Accountants' Audit Report and Financial Statements.

Resolution:

Item 2. **<u>Proposed by the Board</u>**

Proposal: Adoption of the proposal for 2025 Earnings Distribution

Explanation: The 2025 Earnings Distribution Table is attached hereto as Attachment 5 (Page35).

Resolution:

C. Discussion Items

Item 1. **<u>Proposed by the Board</u>**

Proposal: Proposal to Release the Directors from Non-competition Restrictions

Explanation: (1) According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the shareholders' meeting the essential contents of such an act and secure its approval.

(2) As certain directors of the Company may invest in or operate other companies with business scopes identical or similar to those of the Company and serve as directors therein, the matter is hereby submitted to the Shareholders' Meeting for approval in accordance with the law. It is proposed that where the Company’s directors are involved in the aforementioned circumstances, the restrictions on non-competition for such directors be waived.

(3) Please refer to Attachment 6 on page 36 for the "Details of Directors' Concurrent Positions in Other Companies"

Resolution:

D. Extempore Motion

E. Adjournment

F. Attachment

Attachment 1

Business Report

Business Performance for 2025

(1) 2025 Financial Summary

Consolidated Operating Revenue for YFC-BONEAGLE ELECTRIC CO., LTD. and its subsidiaries (the "Group") in 2025 was NT$8,362,383 thousand, representing a decrease of NT$1,737,290 thousand (17.20%) compared to NT$10,099,673 thousand in 2024. The consolidated gross profit margin for 2025 was 29.04%, an increase of 2.8 percentage points from 26.24% in 2024. Consolidated net income after tax for 2025 was NT$118,527 thousand, a decrease of NT$17,384 thousand from NT$135,911 thousand in 2024. Basic earnings per share (EPS) for 2025 was NT$0.81, a decrease of NT$0.12 compared to NT$0.93 in 2024.

The decrease in YFC-BONEAGLE Group's net income after tax in 2025 compared to 2024 was primarily due to a 17.20% year-over-year decline in revenue, caused by customers delaying orders in response to U.S. tariffs. Despite a significant 2.8 % increase in gross profit margin resulting from the Group's product mix adjustments, overall profitability still experienced a slight decline compared to the previous year.

(2) Budget Execution: As the Company did not publicly disclose a financial forecast for FY2025, there is no analysis available.

(3) Analysis of Receipts, Expenditures and Profitability

Unit: NT$ thousand

Category	Title	2025	2024
Receipts & Expenditures	Net operating revenue	8,362,383	10,099,673
	Gross profit from operations	2,387,223	2,650,628
	Net profit (loss) before tax	128,858	195,308
	Net profit (loss) after tax	118,527	135,911
Profitability	ROA (%)	2.65	2.94
	ROE (%)	3.66	4.27
	Operating income to paid-in capital (%)	14.61	22.48
	Net profit before tax to paid-in capital (%)	8.80	13.34
	Net profit margin (%)	1.42	1.35
	EPS (NT$)	0.81	0.93

(4) R&D

i. Power Cord and Power Cable:

Globally, there is a pursuit of "energy conservation and carbon reduction" to minimize environmental impact. This not only helps mitigate global warming but also enhances energy efficiency, reduces costs, and promotes sustainable development. By 2025, plans are in place to build a "green factory" in the Philippines, aligning with the global trend of energy conservation and carbon reduction, and to secure carbon credits. The goals are: (1) green manufacturing, (2) utilizing renewable energy, and (3) implementing a carbon credit management strategy. Through these methods, the company can collectively reduce carbon emissions and contribute to the sustainable development of the Earth.

In response to the U.S.-China trade war, the company is relocating its production facilities from China to the Philippines. The Company has met the supply requirements for the U.S. market in 2025. To sustain stable profitability, the Company will further enhance its management systems and material sourcing strategies, ensuring an uninterrupted supply chain for the future. Simultaneously, there will be a focus on developing new niche market products, with robust management and logistical support as the key to success.

ii. Lan Cable:

PoE (Power over Ethernet) technology enables the simultaneous transmission of data and electrical power over a standard LAN cable. This technology effectively streamlines network infrastructure and reduces installation costs. It is extensively integrated into the Company’s core product offerings, including networking equipment, surveillance systems, and smart building solutions.

The market size of PoE (Power over Ethernet) has been growing steadily in recent years, primarily driven by the increasing demand for smart cities, IoT (Internet of Things) devices, and enterprise network infrastructure. According to market research reports, the PoE market is projected to expand at a stable CAGR (compound annual growth rate) in the coming years, covering applications such as IP cameras, wireless access points, VoIP phones, and other devices requiring power over Ethernet. With continuous technological advancements and enhanced standards (such as IEEE 802.3bt 60W-90W), the application scenarios and market potential of PoE will further expand.

In response to the increasing market application demands, there is a growing need for longer-distance (150-200M) PoE with higher power transmission. YFC will continue to develop PoE LAN cables that meet market demands for longer distances (150-200M) and high-power transmission.

The company will invest in new equipment (physical foaming machines) to enhance the electrical characteristics of cables, thereby increasing cable transmission rates (40G-100G network systems); and will continue to collaborate with internationally renowned raw material manufacturers (Formosa Plastics) to develop physical foaming high-frequency low-dielectric transmission cable materials. In response to climate change, the company will further invest in developing products that can be installed and wired under harsh weather conditions with low temperatures and UV resistance.

iii. New Energy Wire Harness:
New energy wire harnesses are primarily applied in solar power stations (PV DC Harness), battery energy storage systems (BESS), electric vehicles (EV High Voltage Harness), charging piles, wind power, and hydrogen energy equipment. With the accelerated development of new energy, wire harnesses have become a safety-critical material and core element for cost control components.
YFC provides highly weather-resistant, high-current, and long-life connection solutions for solar power systems. In terms of automotive wire harnesses, the company possesses mature production technology and capabilities. Currently, YFC has obtained certification from new energy customers and has officially entered the mass production stage.

iv. Robotics Wire Harness:
Wire harnesses for robotics and industrial automation are no longer limited to basic power and simple signal transmission; they now integrate Ethernet, control bus, and high-speed data transmission functions.
YFC provides customized wire harness solutions for automation equipment, robotics, and new energy machinery. These solutions integrate Ethernet networks and offer features such as anti-interference, high drag-chain flexibility (exceeding 1 million cycles), wear resistance, and harsh weather endurance. Currently, the company has successfully onboarded new customers, and new product development has entered the mass production stage.

Summary of 2026 Business Plan

(1) Short-term Business Development Plan:

i. Actively expand the group's external customer base, focusing on key customers for technical services, fostering deep cooperation, and expanding the product line.
ii. Continuing expanding industrial cables, robotics, and automation-related wiring solutions, meeting customers' expectations for one-stop ordering by providing a diverse range of cables and wire harnesses and participating in renowned industry exhibitions in Europe and the US to enhance brand visibility and market exposure.
iii. In response to the smart manufacturing trend, develop the industrial-grade network patch cord market to differentiate from the existing mid-to-low-end consumer market and traditional distribution channels.
iv. Strengthen the focus on the European and Japanese industrial and smart production equipment markets, increasing the development and sales of industrial cables.
v. Enhance the production efficiency of the Philippine plant, shorten product lead times, and respond to Trump's Tariff 2.0 by increasing the plant’s capacity to supply North American customers and markets beyond North America.
vi. Expanding industrial control cable production lines at the Philippines plant to support U.S. customers.

(2) Long-term Business Development Plan:

i. Continue collaborating with the group's sub-brand, Prime, to develop new products.
ii. Continued collaboration with a key third-party client to expand wire and cable product lines. This client has maintained a gross margin of over 30% for years. In 2025, due to tariff impacts, they progressively shifted orders from competitors to our Philippines plant and are continuously introducing new products. Sales revenue from this client in 2025 grew by 89% compared to 2024.
iii. Leveraging Florida-based offices of Latin American companies to strengthen market promotion in South America. Given that several Latin American countries maintain representative offices in Florida due to its geographical advantage, we will utilize this channel to enhance our outreach.
iv. Diversifying product lines at the Philippines plant in response to "Trump Tariffs 2.0" and the resulting fragmentation of global procurement markets. Beyond power cords and network patch cords, we are adding production lines for industrial control cables, micro-coaxial wires (ultra-fine wires), and other specialized products.
v. Continue developing high-frequency automotive transmission cables for hybrid and pure electric smart vehicles.
vi. Continuous development of Cross-linked Polyethylene (XLPE) cables. This aims to capture "box-wire" customers transitioning toward construction applications, while also

meeting the requirements of industrial automation equipment clients.

vii. Collaborate with factories to source environmentally friendly production and packaging materials, proactively promoting ESG-compliant solutions to customers.

viii. U.S. manufacturing or TAA (Trade Agreements Act) compliance may become a new market in the future, prompting the search for qualified suppliers for strategic sales partnerships.

Impacted by the external competitive environment, regulatory changes, and the overall business climate:

(1) Geopolitical Impacts

Looking ahead to 2026, the global economic and trade landscape has entered a "period of deepened supply chain restructuring following the imposition of U.S. tariffs." As U.S. tariffs worldwide become increasingly finalized, and in response to the long-term, institutionalized risks of tariff fluctuations, the company continues to prioritize the allocation of U.S. market orders to the ASEAN region while actively expanding our non-U.S. customer base.

a. Comprehensive Capacity Upgrade to Capture the U.S. Market:

Looking ahead to 2026, the company will establish our self-owned factory in the Philippines as our core strategic hub. By leveraging capacity expansion, in-house production, and the Group’s integrated sales advantages, we are fully committed to penetrating and capturing a larger share of the U.S. market. While effectively bypassing high tariffs, we aim to secure orders from leading U.S.-based clients, transforming our Philippine production base into the most powerful engine for the Group’s revenue growth.

b. Integrating the ASEAN "Friend-shoring" Ecosystem:

The company is not only actively expanding its pool of qualified suppliers in Vietnam and Thailand but is also elevating these collaborations from simple outsourcing to "strategic partnerships" to bolster supply chain resilience.

Through the deep integration of our self-owned capacity in the Philippines with the external ASEAN supply chain, YFC-BONEAGLE ELECTRIC CO., LTD. has established a highly adaptive global operating model. This not only significantly mitigates the uncertainties brought by geopolitics but also enables us to broaden our customer base, ensuring the Group can deliver exceptional business performance throughout the highly volatile year of 2026.

(2) Sustainability and Carbon Reduction Initiatives

The company has established Sustainable Development Committee: Responsible for supervising the cross-functional implementation task force directed by the Management Center, and fully implementing goals related to environmental, social, and corporate governance (ESG). While pursuing business growth, we are committed to fulfilling corporate responsibility and achieving long-term sustainability.

To meet customer expectations for carbon reduction management and in response to the global goal of net-zero emissions by 2050, the company has completed a baseline greenhouse gas (GHG) emissions inventory and set reduction targets. Future efforts will include optimizing production management, implementing energy-saving and carbon-reduction measures, and planning for the use of renewable energy. Through full-process management, we aim to improve energy and resource efficiency, enhance market competitiveness, and reduce the company's carbon footprint.

In response to global climate change, governments—including the EU—are introducing carbon reduction regulations, raising the cost of carbon emissions to incentivize businesses to reduce GHG output. As a result, customer demand for energy-saving and carbon-reduction initiatives across the supply chain has grown.

To meet these expectations and align with the 2050 global net-zero target, the company has begun auditing its GHG emissions. It will continue to develop and implement carbon reduction goals by optimizing production, establishing carbon management systems, and managing energy and resource consumption throughout the entire process. This will support both enhanced market competitiveness and sustainable business development.

We sincerely thank all our shareholders for your longstanding support and encouragement. The entire YFC group management team and staff will continue to give their utmost efforts to achieve greater success.

Wishing all our shareholders good health and prosperity!

Sincerely,

Yeh Chun Rong
Chairman

Lin Shen Fu
Vice Chairman & Vice President

Wang Sheng Wun
CAO&CFO

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements and proposal for distribution earnings. The Financial Statements have been audited and certified by Chiu-Hua Hsieh and Fang-Yi Lee and, Certified Public Accountants of KPMG, and the CPAs have issued an audit report regarding the financial statements. The above Business Report, Financial Statements, and earnings distribution proposal have been examined and determined to be correct and accurate by the Audit Committee members. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Attention:

YFC-BONEAGLE ELECTRIC CO., LTD.

2026 Annual General Shareholders' Meeting

YFC-BONEAGLE ELECTRIC CO., LTD.

Chen Chao Ting

Convener of the Audit Committee

March 13, 2026

Attachment 3:

Comparison Table of Amendments to the Sustainable Development Best Practice Principles

Amended Provisions	Current Provisions	Explanation
Article 6 The Company's Sustainable Development Committee shall serve as the dedicated unit responsible for promoting sustainable development. Regarding economic, environmental, and social issues arising from operating activities, the Committee shall be responsible for reviewing and tracking sustainable development policies, systems, or related management guidelines and specific implementation plans, and shall periodically report the status to the Board of Directors.	**Article 6** Enhancing the timeliness and accuracy of the disclosure of sustainable development information. The Company shall have its Board of Directors appoint high-rank management with responsibility for economic, environmental, and social issues resulting from the Company's business operations, and the management shall report the relevant details to the Board of Directors, if necessary.	Amended in response to the competent authority's strengthening of sustainability and corporate governance disclosures, as well as to reflect the Company's practical operations.
Article 8 For the purpose of managing sustainable development initiatives, the Company is advised to set up a governance structure for sustainable development promotion and establish Sustainable Development Committee to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans.	**Article 8** For the purpose of managing sustainable development initiatives, the Company is advised to set up a governance structure for sustainable development promotion and establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans.	

Article 28 These Principles shall be implemented after approval by the Board of Directors; the same applies to any amendments. The same shall apply where the principles are amended. These Principles were established on March 26, 2018, originally titled "Corporate Social Responsibility Best Practice Principles. First amendment: March 28, 2022, renamed to "Sustainable Development Best Practice Principles. Second amendment: March 13, 2026.	**Article 28** These Principles shall be enforced upon approval of the Board of Directors. The same shall apply where the principles are amended	Addition of amendment history.

Attachment 4

2025 Independent Auditors' Report and Consolidated Financial Statements

YFC-BONEAGLE ELECTRIC CO., LTD.

PARENT-COMPANY-ONLY FINANCIAL STATEMENTS

with Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

Address: No. 12-9, Ln. 130, Sec. 2, Zhongshan E. Rd., Xinwu Dist, Taoyuan City 327, Taiwan (R.O.C.)
Telephone: +866(3)477-8846

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

Independent Auditors' Report

To the Board of Directors of YFC-BONEAGLE ELECTRIC CO., LTD. :

Opinion

We have audited the parent-company-only financial statements of YFC-BONEAGLE ELECTRIC CO., LTD. ("the Company"), which comprise the balance sheet as of December 31, 2025 and 2024, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and parent-company-only notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the year then ende 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 Audit and Attestation of Financial Statements by Certified Public Accountants and 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 of 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 of the current period. These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

   Please refer to note (4)(n) for significant accounting policy related to revenue recognition. For the details of revenue, please refer to note (6)(t).

   Description of key audit matter:

   The sale transactions of the Company are mainly under FOB shipping point terms. Transfers of risk and rewards generally occurs upon loading the goods onto the relevant carrier at the port. In addition, the company provide a part of customers discounts based on the agreement. Consequently, revenue recognition has been identified as a key audit matter.

   How the matter was addressed in our audit:

   In relation to the key audit matter above, our audit procedures include:

   - Testing the related controls surrounding revenue collection and assessing whether the revenue recognition policies comply with the accounting standards.

   - Examining the agreements of selected customers to determine whether the accounting treatment is consistent with the contract terms and provisions stated.

   - Performing trend analysis on major customers and products and compare the current actual sales with the prior one to determine whether any significant variances exist.

   - Assessing the adequacy of the Company disclosures in respect of revenue recognition.

2. Investments accounted for using equity method

   Please refer to note (4)(h) and (6)(e) for the significant accounting policies and the details of investments subsidiaries. Please refer to note (5) for uncertainties in accounting estimates and assumptions.

   Description of key audit matter:

   Investments accounted for using equity method is an important and a significant aspect of the Company. Therefore, the valuation of investments accounted for using equity method has been identified as a key audit matter.

   How the matter was addressed in our audit:

   In relation to the key audit matter above, our audit procedures included:

   - Reviewing the financial statements and related information of all subsidiaries.

   - Designing and implementing the audit procedures based on relevant regulations. For instance, testing the changes on the investments accounted for using equity method in the current year, including the recognition of the shares of profit of subsidiaries accounted for using equity method and the shares of other comprehensive income, then comparing and analyzing the changes in the actual amounts of the previous and current year whether the investments accounted for using equity method evaluation policies comply with the accounting standards.

   - Assessing the adequacy of the Company’s disclosures in respect of the investments accounted for using equity method.

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 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.

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

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause 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 and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the 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 of the current period 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 audit resulting in this independent auditors’ report are Hsieh, Chiu-Hua and Lee, Fang-Yi.

KPMG

Taipei, Taiwan (Republic of China)
March 30, 2026

Notes 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 the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent-company-only financial statements are the Standards on Auditing of the Republic of China.

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

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD.

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note (6)(a))	$ 313,564	4	147,672	2
1150-70	Notes and accounts receivable, net (note (6)(b))	1,062,074	13	1,286,494	15
1180	Accounts receivable from related parties, net (notes (6)(b) and (7))	238,655	3	516,887	6
1200	Other receivables (note (6)(c))	3,043	-	4,740	-
1210	Other receivables from related parties (notes (6)(c) and (7))	521,475	7	560,691	7
1220	Current tax assets	14,385	-	14,385	-
130X	Inventories (note (6)(d))	87,221	1	66,487	1
1410	Prepayments (notes (7))	7,223	-	5,636	-
	Total current assets	2,247,640	28	2,602,992	31
	Non-current assets:				
1550	Investments accounted for using equity method (notes (6)(e) and (13))	5,397,258	68	5,379,799	66
1600	Property, plant and equipment (notes (6)(f) and (8))	281,025	4	285,824	3
1755	Right-of-use assets (note (6)(g))	1,729	-	3,629	-
1780	Intangible assets (note (6)(h))	1,244	-	1,366	-
1840	Deferred tax assets (note (6)(p))	33,949	-	26,581	-
1915	Prepayments for business facilities	-	-	1,300	-
1900	Other non-current assets (notes (6)(i), (o) and (8))	8,307	-	9,352	-
	Total non-current assets	5,723,512	72	5,707,851	69
	Total assets	**$ 7,971,152**	**100**	**8,310,843**	**100**

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Short-term borrowings (note (6)(j))	$ 1,737,989	22	2,176,599	26
2110	Short-term notes and bills payable (note (6)(k))	79,943	1	79,823	1
2130	Current contract liabilities (note (6)(t))	31,075	-	18,396	-
2150-70	Notes and accounts payable	228,864	4	88,485	1
2180	Accounts payable to related parties (note (7))	663,224	8	713,848	9
2200	Other payables (note (6)(m))	66,173	1	58,296	1
2220	Other payables to related parties (note (7))	1,107,583	14	1,176,829	14
2230	Current tax liabilities	17,008	-	-	-
2280	Current lease liabilities (note (6)(n))	1,361	-	2,509	-
2320	Long-term liabilities, current portion (notes (6)(l) and (8))	344,041	4	159,068	2
2300	Other current liabilities	361	-	382	-
	Total current liabilities	4,277,622	54	4,474,235	54
	Non-Current liabilities:				
2540	Long-term borrowings (notes (6)(l) and (8))	425,806	5	410,008	5
2570	Deferred tax liabilities (note (6)(p))	-	-	26,025	-
2580	Non-current lease liabilities (note (6)(n))	406	-	1,165	-
2600	Other non-current liabilities	100	-	100	-
2650	Credit balance of investments accounted for using equity method (notes (6)(e) and (13))	107,741	1	92,904	1
	Total non-current liabilities	534,053	6	530,202	6
	Total liabilities	4,811,675	60	5,004,437	60
	Equity attributable to owners of parent (note (q)):				
3110	Ordinary share	1,464,627	18	1,464,627	19
3200	Capital surplus	988,829	12	988,829	12
3300	Retained earnings	769,296	10	753,683	9
3400	Other equity interest	(63,275)	-	99,267	-
	Total equity	3,159,477	40	3,306,406	40
	Total liabilities and equity	**$ 7,971,152**	**100**	**8,310,843**	**100**

December 31, 2025 **December 31, 2024**

See accompanying notes to consolidated financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4100	**Operating revenue** (notes (6)(t) and (7))	$ 4,132,132	100	4,925,571	100
5110	**Operating costs** (notes (6)(d), (o), (s), (7) and (12))	3,705,455	90	4,631,924	94
5920	(Less) add: (Realized) unrealized loss from sales to related parties, net (note (7))	-	-	-	-
5900	**Gross profit from operations**	426,677	10	293,647	6
	Operating expenses (notes (6)(b), (n), (o), (s), (7) and (12))**:**				
6100	Selling expenses	110,740	3	68,530	1
6200	Administrative expenses	135,247	3	129,864	3
6300	Research and development expenses	8,679	-	8,074	-
6450	Expected credit loss	313	-	16	-
6000	**Total operating expenses**	254,979	6	206,484	4
6900	**Operating income (loss)**	171,698	4	87,163	2
	Non-operating income and expenses (notes (6)(e), (n), (u), (7) and (13))**:**				
7010	Other income	14,009	-	17,195	-
7020	Other gains and losses, net	23,657	1	(24,244)	-
7100	Interest income	3,813	-	3,843	-
7050	Finance costs, net	(76,332)	(1)	(91,001)	(2)
7070	Share of profit of subsidiaries accounted for using equity method	13,642	-	140,853	3
7000	**Total non-operating income and expenses**	(21,211)	-	46,646	1
7900	**Profit from continuing operations before tax**	150,487	4	133,809	3
7950	**Less: Income tax expense (benefit)** (note (6)(p))	31,960	1	(2,102)	-
	Profit	118,527	3	135,911	3
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss** (note (6)(o))				
8311	(Losses) gains on remeasurements of defined benefit plans	(390)	-	1,637	-
8349	Less:Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total items that may not be reclassified subsequently to profit or loss	(390)	-	1,637	-
8360	**Items that may be reclassified subsequently to profit or loss** (notes (6)(p) and (q))				
8361	Exchange differences on translation of foreign operation	(203,189)	(5)	286,950	6
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(40,638)	(1)	57,390	1
	Total items that may be reclassified subsequently to profit or loss	(162,551)	(4)	229,560	5
8300	**Other comprehensive (loss) income**	(162,941)	(4)	231,197	5
8500	**Total comprehensive (loss) income**	$ (44,414)	(1)	367,108	8
	Earnings per share (in NT dollars) (note (6)(r))				
9750	**Basic earnings (losses) per share**	$	0.81		0.93
9850	**Diluted earnings (losses) per share**	$	0.81		0.93

See accompanying notes to consolidated financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Total other equity interest	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2024	$ 1,464,627	988,829	314,247	414,386	4,672	733,305	(130,293)	3,056,468
Profit	-	-	-	-	135,911	135,911	-	135,911
Other comprehensive income	-	-	-	-	1,637	1,637	229,560	231,197
Total comprehensive income	-	-	-	-	137,548	137,548	229,560	367,108
Appropriation and distribution of retained earnings:								
Special reserve appropriated	-	-	-	(117,170)	117,170	-	-	-
Cash dividends of ordinary share	-	-	-	-	(117,170)	(117,170)	-	(117,170)
Balance at December 31, 2024	1,464,627	988,829	314,247	297,216	142,220	753,683	99,267	3,306,406
Profit	-	-	-	-	118,527	118,527	-	118,527
Other comprehensive income	-	-	-	-	(390)	(390)	(162,551)	(162,941)
Total comprehensive income (loss)	-	-	-	-	118,137	118,137	(162,551)	(44,414)
Appropriation and distribution of retained earnings:								
Special reserve appropriated	-	-	13,755	-	(13,755)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(102,524)	(102,524)	-	(102,524)
Liquidation of equity-method subsidiaries	-	-	-	-	-	-	9	9
Balance at December 31, 2025	**$ 1,464,627**	**988,829**	**328,002**	**297,216**	**144,078**	**769,296**	**(63,275)**	**3,159,477**

See accompanying notes to consolidated financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		2025	2024
Cash flows from (used in) operating activities:			
Profit before tax	$	150,487	133,809
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		11,638	12,143
Amortization expense		2,850	2,265
Expected credit loss		313	16
Interest expense		76,332	91,001
Interest income		(3,813)	(3,843)
Share of (profit) loss of subsidiaries accounted for using equity method		(13,642)	(140,853)
Loss from disposal of property, plan and equipment		-	409
Unrealized foreign exchange loss		77,109	126,102
Total adjustments to reconcile profit		150,787	87,240
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes and accounts receivable		241,662	(447,203)
Accounts receivable from related parties		278,232	14,096
Other receivables		1,697	7,203
Other receivable from related parties		195,382	(310,708)
Inventories		(20,734)	(6,934)
Prepayment and other current assets		(1,587)	376,088
Total changes in operating assets		694,652	(367,458)
Changes in operating liabilities:			
Notes and accounts payable		140,379	(40,823)
Accounts payable to related parties		(202,519)	206,979
Other payables		8,443	28,446
Other payable to related parties		(22,498)	1,651
Other current liabilities and contract liabilities		12,658	(25,766)
Total changes in operating liabilities		(63,537)	170,487
Total changes in operating assets and liabilities		631,115	(196,971)
Total adjustments		781,902	(109,731)
Cash inflow generated from operations		932,389	24,078
Interest received		3,813	3,843
Interest paid		(76,917)	(90,930)
Income taxes paid		(7,707)	(51,955)
Net cash flows from (used in) operating activities		851,578	(114,964)

See accompanying notes to consolidated financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows (used in) from investing activities:		
Acquisition of investments accounted for using equity method	(302,087)	(426)
Proceeds from capital reduction of investments accounted for using equity method	69,519	-
Acquisition of property, plant and equipment	(2,839)	(1,166)
Proceeds from disposal of property, plant and equipment	-	28
(Increase) decrease in other receivables from related parties	(115,659)	(1,320)
Acquisition of intangible assets	(2,728)	(2,503)
Decrease in other financial assets and non-current assets	655	3,638
Increase in prepayments for business facilities	-	(1,300)
Net cash flow used in investing activities	(353,139)	(3,049)
Cash flows from (used in) financing activities:		
Increase in short-term loans	2,315,264	2,692,196
Decrease in short-term loans	(2,744,079)	(2,432,920)
Increase (decrease) in short-term notes and bills payable	120	(20,007)
Proceeds from long-term debt	560,000	1,070,000
Repayments of long-term debt	(359,229)	(1,158,905)
Payment of lease liabilities	(2,707)	(3,170)
Cash dividends paid	(102,524)	(117,170)
Net cash flows (used in) from financing activities	(333,155)	30,024
Effect of exchange rate changes on cash and cash equivalents	608	985
Net increase (decrease) in cash and cash equivalents	165,892	(87,004)
Cash and cash equivalents at beginning of period	147,672	234,676
Cash and cash equivalents at end of period	$ 313,564	147,672

See accompanying notes to consolidated financial statements.

YFC-BONEAGLE ELECTRIC CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

Address:	No. 12-9, Ln. 130, Sec. 2, Zhongshan E. Rd., Xinwu Dist, Taoyuan City 327, Taiwan (R.O.C.)
Telephone:	+866(3)477-8846

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

Independent Auditors' Report

To the Board of Directors of YFC-BONEAGLE ELECTRIC CO., LTD. :

Opinion

We have audited the consolidated financial statements of YFC-BONEAGLE ELECTRIC CO., LTD. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 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 Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

   Please refer to note (4)(n) for significant accounting policy related to revenue recognition. For the details of revenue, please refer to note (6)(r).

   Description of key audit matter:

   The sale transactions of the Group are mainly under FOB shipping point terms. Transfers of risk and rewards generally occurs upon loading the goods onto the relevant carrier at the port. The Group’s online retail company transfer their control over the goods upon delivery of the goods to customers due to the nature of the industry. In addition, the Group’s private-label online retail company and wholesale companies provide customers discounts based on the agreements, and allow customers to return items within a specific period of time in accordance with the policy, resulting high sales discounts and returns amounts. Consequently, revenue recognition has been identified as a key audit matter.

   How the matter was addressed in our audit:

   In relation to the key audit matter above, our audit procedures include:

   - Testing the related controls surrounding revenue collection and assessing whether the revenue recognition policies comply with the accounting standards.
   - Examining the agreements of selected customers to determine whether the accounting treatment is consistent with the contract terms and provisions stated.
   - Performing trend analysis on major customers and products and compare the actual sales with the prior one to determine whether any significant variances exist.
   - Testing the accuracy and appropriateness of management's calculation of sales discounts and returns by estimating them based on the actual sales discounts and returns in the previous years; examining subsequent sale returns to assess whether there are any significant differences.
   - Assessing the adequacy of the Group’s disclosures in respect of revenue recognition.

2. Impairment assessment of inventory

   Please refer to note (4)(h) for significant accounting policies of inventory valuation. For the inventory disclosures, please refer to note (6)(d).

   For uncertainties in accounting estimates and assumptions, please refer to note (5).

   Description of key audit matter:

   Inventories of the Group are measured at the lower of cost and net realizable value. Inventory valuation loss is recognized for inventories exceeding specific stock ages or identified as obsolete stocks. Since copper is vulnerable to the impact of rapid price changes in the international market, there is a risk that the carrying value of inventories may exceed its net realizable value. In addition, the sales of online retail and wholesale subsidiaries are strongly influenced by preferences of customers, resulting in short product life-cycles and challenging inventory management. Therefore, the valuation of inventory has been identified as a key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, our audit procedures include:

- Obtaining complete aging analysis of inventories and analyzing changes therein; assessing the appropriateness of provisions.
- Understanding the assumptions used by management in determining net realizable value and evaluating its reasonableness.
- Assessing the adequacy of the Group’ s disclosures in respect of inventory.

Other Matter

YFC-BONEAGLE ELECTRIC CO., LTD. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unqualified 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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, 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 comittee) are responsible for overseeing the Group’ s financial reporting process.

Auditor’ s 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 auditor’ s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 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 auditor's 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, 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 of the current period 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 audit resulting in this independent auditors' report are Hsieh, Chiu-Hua and Lee, Fang-Yi.

KPMG

Taipei, Taiwan (Republic of China)
March 30, 2026

Notes to Readers

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

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

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note (6)(a))	$ 1,490,268	16	1,420,208	15
1150-70	Notes and accounts receivable (note (6)(b))	2,041,899	22	2,486,880	25
1200	Other receivables, net (note (6)(c))	6,401	-	11,680	-
1220	Current tax assets	74,052	1	71,820	1
130X	Inventories (note (6)(d))	2,485,297	28	2,671,794	27
1410	Prepayments (note (9))	331,792	4	204,289	2
1470	Other current assets (note (6)(h))	11,644	-	11,768	-
	Total current assets	6,441,353	71	6,878,439	70
	Non-current assets:				
1600	Property, plant and equipment (notes (6)(e) and (8))	1,065,654	12	1,125,712	12
1755	Right-of-use assets (note (6)(f))	381,245	4	555,442	6
1780	Intangible assets (note (6)(g))	596,793	6	637,134	6
1840	Deferred tax assets (note (6)(o))	510,744	6	535,727	5
1900	Other non-current assets (notes (6)(h), (n) and (8))	90,830	1	53,091	1
	Total non-current assets	2,645,266	29	2,907,106	30
	Total assets	$ 9,086,619	100	9,785,545	100

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Short-term borrowings (note (6)(i))	$ 2,288,460	25	2,730,118	28
2110	Short-term notes and bills payable (note (6)(j))	79,943	1	79,823	1
2130	Current contract liabilities (note (6)(r))	53,398	1	66,468	1
2150-70	Notes and accounts payable	1,074,545	12	1,082,110	11
2200	Other payables (note (6)(l))	325,556	4	420,408	4
2230	Current tax liabilities	29,698	-	43,926	1
2251	Current provisions for employee benefits	25,981	-	29,704	-
2280	Current lease liabilities (note (6)(m))	121,725	1	144,671	1
2365	Refund liabilities-current (note (6)(l))	60,532	1	92,468	1
2320	Long-term liabilities, current portion (notes (6)(k) and (8))	619,729	7	732,430	7
2300	Other current liabilities	765	-	4,064	-
	Total current liabilities	4,680,332	52	5,426,190	55
	Non-Current liabilities:				
2540	Long-term borrowings (notes (6)(k) and (8))	824,753	9	410,088	4
2570	Deferred tax liabilities (note (6)(o))	112,200	1	158,739	2
2580	Non-current lease liabilities (note (6)(m))	300,351	3	446,575	5
2600	Other non-current liabilities	9,506	-	32,327	-
	Total non-current liabilities	1,246,810	13	1,047,729	11
	Total liabilities	5,927,142	65	6,473,919	66
	Equity attributable to owners of parent (note (p)):				
3110	Ordinary shares	1,464,627	16	1,464,627	15
3200	Capital surplus	988,829	11	988,829	10
3300	Retained earnings	769,296	9	753,683	8
3400	Other equity interest	(63,275)	(1)	99,267	1
	Total equity attributable to owners of parent	3,159,477	35	3,306,406	34
36XX	**Non-controlling interests**	-	-	5,220	-
	Total equity	3,159,477	35	3,311,626	34
	Total liabilities and equity	$ 9,086,619	100	9,785,545	100

December 31, 2025 December 31, 2024

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4110	**Operating revenue** (note (6)(r))	$ 8,362,383	100	10,099,673	100
5110	**Operating costs** (notes (6)(d), (m), (n), (s) and (12))	5,975,160	71	7,449,045	74
5900	**Gross profit from operations**	2,387,223	29	2,650,628	26
	Operating expenses (notes (6)(b), (m), (n), (s), (7) and (12)):				
6100	Selling expenses	1,523,512	18	1,668,929	16
6200	Administrative expenses	617,062	7	612,965	6
6300	Research and development expenses	43,789	1	51,813	1
6450	Expected credit losses (gains)	(11,173)	-	(12,254)	-
6000	**Total operating expenses**	2,173,190	26	2,321,453	23
6900	**Operating profit**	214,033	3	329,175	3
	Non-operating income and expenses (notes (6)(m) and (t)):				
7010	Other income	64,650	1	13,596	-
7020	Other gains and losses, net	(9,745)	-	183	-
7100	Interest income	24,011	-	28,340	-
7050	Finance costs, net	(164,091)	(2)	(175,986)	(1)
7000	**Total non-operating income and expenses**	(85,175)	(1)	(133,867)	(1)
7900	**Profit from continuing operations before tax**	128,858	2	195,308	2
7950	**Less: Income tax expense** (note (6)(o))	10,331	-	59,397	1
	Profit	118,527	2	135,911	1
8300	**Other comprehensive (loss) income :**				
8310	**Items that may not be reclassified subsequently to profit or loss** (note (6)(n))				
8311	(Losses) gains on remeasurements of defined benefit plans	(390)	-	1,637	-
8349	Less:Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total items that may not be reclassified subsequently to profit or loss	(390)	-	1,637	-
8360	**Items that may be reclassified subsequently to profit or loss** (notes (6)(o) and (p))				
8361	Exchange differences on translation of foreign operation	(203,189)	(3)	286,950	3
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(40,638)	-	57,390	-
	Total items that may be reclassified subsequently to profit or loss	(162,551)	(3)	229,560	3
8300	**Other comprehensive (loss) income**	(162,941)	(3)	231,197	3
8500	**Total comprehensive (loss) income**	$ (44,414)	(1)	367,108	4
	Profit attributable to:				
8610	Profit attributable to owners of parent	$ 118,527	2	135,911	1
8620	Profit attributable to non-controlling interests	-	-	-	-
8600	**Net profit**	$ 118,527	2	135,911	1
	Comprehensive (loss) income attributable to:				
8710	Comprehensive (loss) income attributable to owners of parent	$ (44,414)	(1)	367,108	4
8720	Comprehensive income attributable to non-controlling interests	-	-	-	-
8700	**Comprehensive (loss) income**	$ (44,414)	(1)	367,108	4
	Earnings per share (in NT dollars) (note (6)(q))				
9750	**Basic earnings per share**	$	0.81		0.93
9850	**Diluted earnings per share**	$	0.81		0.93

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									
	Share capital		Retained earnings				Total other equity interest			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2024	$ 1,464,627	988,829	314,247	414,386	4,672	733,305	(130,293)	3,056,468	5,220	3,061,688
Profit	-	-	-	-	135,911	135,911	-	135,911	-	135,911
Other comprehensive income	-	-	-	-	1,637	1,637	229,560	231,197	-	231,197
Total comprehensive income	-	-	-	-	137,548	137,548	229,560	367,108	-	367,108
Appropriation and distribution of retained earnings:										
Special reserve appropriated	-	-	-	(117,170)	117,170	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(117,170)	(117,170)	-	(117,170)	-	(117,170)
Balance at December 31, 2024	1,464,627	988,829	314,247	297,216	142,220	753,683	99,267	3,306,406	5,220	3,311,626
Profit	-	-	-	-	118,527	118,527	-	118,527	-	118,527
Other comprehensive loss	-	-	-	-	(390)	(390)	(162,551)	(162,941)	-	(162,941)
Total comprehensive income (loss)	-	-	-	-	118,137	118,137	(162,551)	(44,414)	-	(44,414)
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	13,755	-	(13,755)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(102,524)	(102,524)	-	(102,524)	-	(102,524)
Liquidation of equity-method subsidiaries	-	-	-	-	-	-	9	9	(5,220)	(5,211)
Balance at December 31, 2025	**$ 1,464,627**	**988,829**	**328,002**	**297,216**	**144,078**	**769,296**	**(63,275)**	**3,159,477**	**-**	**3,159,477**

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		2025	2024
Cash flows from (used in) operating activities:			
Profit before tax	$	128,858	195,308
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		235,727	228,211
Amortization expense		80,392	58,041
Expected credit gains		(11,173)	(12,254)
Interest expense		164,091	175,986
Interest income		(24,011)	(28,340)
Loss on disposal of property, plan and equipment		124	1,851
Unrealized foreign exchange (gains) losses		(34,599)	6,042
Total adjustments to reconcile profit		410,551	429,537
Changes in operating assets and liabilities:			
Notes and accounts receivable		430,079	(342,338)
Other receivables		5,047	7,397
Inventories		79,438	323,789
Prepayments		(140,104)	90,806
Other current assets and right to the return goods		(328)	2,040
Total changes in operating assets		374,132	81,694
Notes and accounts payable		34,590	(155,150)
Other payables		(113,278)	(130,469)
Refund liabilities and provisions for employee benefits		(30,645)	21,682
Other current liabilities and contract liabilities		(14,278)	(80,018)
Other non-current liabilities		(247)	(341)
Total changes in operating liabilities		(123,858)	(344,296)
Total changes in operating assets and liabilities		250,274	(262,602)
Total adjustments		660,825	166,935
Cash inflow generated from operations		789,683	362,243
Interest received		24,012	28,339
Interest paid		(165,715)	(175,422)
Income taxes paid		(23,856)	(88,571)
Net cash flows from operating activities		624,124	126,589

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

YFC-BONEAGLE ELECTRIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	$ (31,441)	(187,093)
Proceeds from disposal of property, plant and equipment	2,913	1,655
Acquisition of intangible assets	(66,428)	(91,739)
(Increase) decrease in other financial assets and non-current assets	(12,659)	4,184
Increase in prepayments for business facilities	(27,804)	(3,237)
Net cash flows used in investing activities	(135,419)	(276,230)
Cash flows from (used in) financing activities:		
Increase in short-term loans	3,135,079	3,558,781
Decrease in short-term loans	(3,560,402)	(3,149,987)
(Increase) decrease in short-term notes and bills payable	120	(20,007)
Proceeds from long-term debt	712,482	1,102,115
Repayments of long-term debt	(386,999)	(1,159,340)
Payment of lease liabilities	(136,855)	(117,254)
(Decrease) increase in other non-current liabilities	(21,860)	29,321
Cash dividends paid	(102,524)	(117,170)
Net change in non-controlling interests	(5,220)	-
Net cash flows (used in) from financing activities	(366,179)	126,459
Effect of exchange rate changes on cash and cash equivalents	(52,466)	70,972
Net increase in cash and cash equivalents	70,060	47,790
Cash and cash equivalents at beginning of period	1,420,208	1,372,418
Cash and cash equivalents at end of period	$ 1,490,268	1,420,208

See accompanying notes to consolidated financial statements.

Attachment 5

2025 Earnings Distribution Table

Unit: NTD $

Item	Amount
Beginning Retained Earnings	25,942,211
Plus: Current Actuarial Gain	(390,136)
Plus: Net Profit after Tax	118,526,880
Minus: Appropriated for 10% Legal Reserve	(11,813,674)
Allocable Earnings	132,265,281
Allocation Items:	
Cash Dividend to Shareholders (NT$0.7 per share)	102,523,848
Ending Unappropriated Retained Earnings	29,741,433

Yeh Chun Rong	*Lin Shen Fu*	*Wang Sheng Wun*
Chairman	Vice Chairman& Vice President	CAO&CFO

Details of Directors' Concurrent Positions in Other Companies

Title	Name	Concurrent Positions in Other Companies
Chairman	Yeh Chun Rong	Chairman: YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD. PREMIUM-LINE KSI GMBH YFC-BONEAGLE HOLDINGS (CAYMANS) CO.,LTD. EUROPOWER INTERNATIONAL LIMITED UNIVERSAL NETWORK CORPORATION PREMIUM LINE ASIA LTD. DONGGUAN YFC-BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.
Vice Chairman	Lin Shen Fu	Chairman: BESTLINK NETWARE INC. UNC INVESTMENT & DEVELOPMENT, INC. MONOPRICE HOLDINGS, INC. MONOPRICE, INC. PRIME WIRE & CABLE, INC. UNIVERSAL NETWORK CORPORATION Director: DONGGUAN YFC-BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD. Independent Director: ACON HOLDING INC.
Director	Chang Lung Kwang	Director: DONGGUAN YFC-BONEAGLE ELECTRONIC UNIVERSAL NETWORK CORPORATION
Independent Director	Chen Chao-Ting	Director: Xi-Le-Jian Management Consultants Co., Ltd. Independent Director: Sunplus Innovation Technology Inc.

G. Appendix

Appendix 1

Sustainable Development Best Practice Principles

Chapter I - General Provisions

Article 1 To fulfill corporate social responsibility (CSR) initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Principles have been formed under the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and related laws and regulations.

Article 2 The Principles applies to the entire operations of the Company and its business group.

Article 3 In fulfilling sustainable development initiatives, the Company shall give due consideration to the rights and interests of stakeholders. While pursuing sustainable operations and profits, give due consideration to the environment, society, and corporate governance, and take into its corporate management guidelines and business operations.

Article 4 To implement sustainable development initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of sustainable development information.

Chapter II - Exercise Corporate Governance

Article 5 The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the Code of Ethical Conduct for TWSE/TPEx Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance

Article 6 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives and ensure the thorough implementation of its sustainable development policies. The board of directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its sustainable development initiatives:

1. Identifying the Company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines;
2. Making sustainable development the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information. The Company shall have its Board of Directors appoint high-rank management with responsibility for economic, environmental, and social issues resulting from the Company's business operations, and the management shall report the relevant details to the Board of Directors, if necessary.

Article 7 The Company is advised to organize education and training on the implementation of sustainable development initiatives on a regular basis, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 8 For the purpose of managing sustainable development initiatives, the Company is advised to set up a governance structure for sustainable development promotion and establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans.

The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.

It is advised that the employee performance evaluation system be combined with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 9 Based on respect for the rights and interests of stakeholders, the Company shall identify stakeholders and recognize their reasonable expectations and demands through proper communication and reply to important sustainable development issues they concerned about properly.

Chapter III - Develop a Sustainable Environment

Article 10 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 11 The Company is advised to endeavor to improve energy efficiency and use renewable materials with low impact on the environment to improve the sustainability of natural resources.

Article 12 The Company is advised to take into account the effect of business operations on ecological efficiency, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from the Company's business operations:

1. Reduce resource and energy consumption of the Company's products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 13 To improve water use efficiency, the Company shall properly and sustainably use water resources and shall take environmental protection into its operations to avoid polluting water, air and land, and use its best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures,.

Article 14 The Company is advised to monitor the impact of climate change on its operations and boost energy conservation and carbon and greenhouse gas reduction to minimize the impact of its business operations on climate change.

Chapter IV - Maintain Public Welfare

Article 15 The Company shall comply with relevant labor laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate complaining mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the complaining process.

The complaining channels shall be clear, convenient, and unobstructed.

The Company shall respond to any employee's complaint in an adequate manner.

Article 16 The Company shall provide information to its employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the Company has business operations.

Article 17 The Company is advised to provide safe and healthy work environments to its employees, including necessary health and first-aid facilities, and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company is advised to organize training on safety and health for its employees on a regular basis.

Article 18 The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.

The Company shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 19 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information and express their opinions on the Company's operations, management and decisions.

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 20 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services, and shall further establish and disclose policies on customer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights and interests of its customers.

Article 21 The Company shall ensure the quality of its products and services by following the government laws and regulations and relevant standards applicable in the same industry. The Company shall follow relevant laws, regulations and international guidelines when marketing or labeling its products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray customers' trust or damage customers' rights or interests.

Article 22 The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on customers and the society.

The Company is advised to provide a clear and effective procedure for accepting customers' complaints to fairly and timely handle consumer complaints, shall comply with related laws and regulations for respecting customers' rights of privacy and shall protect customers' personal data.

Article 23 The Company is advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the sustainable development initiative.

The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society and avoid conducting transactions with those against sustainable development policy.

When the Company enters into a contract with any of its major suppliers, the contents should include terms stipulating mutual compliance with corporate sustainable development policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 24 The Company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services etc., participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter IV - Maintain Public Welfare

Article 25 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEx listed Companies and shall fully disclose relevant and reliable information relating to its sustainable development initiatives to improve information transparency. The information relating to corporate social responsibility which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the Board of Directors,.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, developing a sustainable environment and maintaining social public welfare.
3. Goals and measures for promoting the sustainable development initiatives established by the Company, and performance in implementation.
4. Major stakeholders and their concerns.
5. Other information relating to corporate social responsibility.

Article 26 The Company is advised to prepare sustainable development reports to disclose the status of its implementation of the sustainable development policy. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Chapter VI. Bylaw

Article 27 The Company shall, at all times, monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve the Company's established corporate social responsibility system and to obtain better results from the implementation of the corporate social responsibility policy.

Article 28 These Principles shall be enforced upon approval of the Board of Directors. The same shall apply where the Principles are amended.

These Principles were established on March 26, 2018, originally titled "Corporate Social Responsibility Best Practice Principles.

First amendment: March 28, 2022, renamed to "Sustainable Development Best Practice Principles.

Second amendment: March 13, 2026.

Appendix 2

Articles of Incorporation

Chapter I - General Provisions

Article 1 The Company is incorporated under the Company Act and named YFC-BonEagle ELECTRIC CO., LTD..

Article 2 The Company's business lines are specified as follows:

1. CC01080 Electronic Parts and Components Manufacturing
2. CC01060 Wired Communication Equipment and Apparatus Manufacturing
3. CC01020 Electric Wires and Cables Manufacturing
4. CC01070 Telecommunication Equipment and Apparatus Manufacturing
5. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company's head office is situated in Taoyuan City, Taiwan and, when necessary, may set up branches domestically and overseas upon resolution adopted at the meeting of the Board of Directors.

Article 4 The Company may authorize the Board of Directors to make investment externally upon approval of a shareholders' meeting, and the total investment is exempted from the restriction referred to in Article 13 of the Company Act.

Article 4-1 If necessary, the Company may make endorsements/guarantees for other companies in which the Company holds more than 50% of the shares with voting right directly or indirectly.

Chapter II - Shares

Article 5 The authorized total capital stock of the Company shall be NT$1.8 billion, divided into 180 million shares (including the employee stock warrants totaling 35 million shares), with the possibility to issue preferred shares, at a par value of NT$10 per share and to be issued in installment. The Board of Directors will resolve to offer unissued shares, if necessary.

Article 5-1 When the Company re-purchases treasury shares for assignment to the employees and issues new shares and new shares with restricted employee rights, and employee stock options, in addition to employees of the Company, the target may also include employees of subsidiaries in which the Company directly or indirectly holds 50% or more shares.

Article 6 The rights and obligations of preferred shares of the Company and other important terms of issuance are as follows:

1. If the Company has profit at the annual closing, in addition to tax payments in accordance with the law, losses from past years shall first be compensated. Then legal reserve shall be provided in accordance with the law. A special reserve shall then be provided or reversed in accordance with the provisions of the Articles of Association. The balance amount, if any, may be used in priority to distribute dividends distributable in the current year to preferred shares.
2. Dividends for preferred shares are capped at 8% per annum and shall be calculated based on the issue price per share. Dividends may be issued in cash in one lump sum every year. After the financial reports are approved by the general shareholders' meeting every year, the board of directors shall determine the record date for payment of the dividends distributable from the previous year. The amount of dividend in the year of issuance and redemption shall be calculated based on the actual number of outstanding days in the current year.
3. The Company has the discretion on the distribution of dividends for preferred shares. If the Company has no profits at the annual closing or if the profit is insufficient to distribute dividends for preferred shares, the Company may resolve not to distribute dividends for the preferred shares. Shareholders of preferred shares shall not voice any objections. If the preferred shares issued are non-accumulative, the dividends that are not distributed or the shortfall of dividends distributed shall not be accumulated to the subsequent years with profit for deferred payment.
4. Other than collecting dividends provided in sub-paragraph 2 of this paragraph, the non-participating preferred shares holders, are not entitled to participate in the distribution of cash or stock dividends with regard of the common shares derived from earnings or capital surplus. When the Company issues new shares in cash, shareholders of preferred shares shall have the same pre-emptive rights as shareholders of ordinary shares.
5. Shareholders of preferred shares shall have priority rights over shareholders of ordinary shares in the order of distribution of remaining properties of the Company. Shareholders of all types of preferred shares issued by the Company shall rank in the same order of compensation, which shall be subordinated to general creditors, provided that it shall not exceed the amount calculated based on the issue price and the total number of preferred shares outstanding at the time of distribution.
6. Shareholders of preferred shares are not entitled to voting rights or election rights. However, they may be elected as directors and are entitled to voting rights in shareholders meetings for preferred shares or in shareholders meetings in relation to matters involving the rights and obligations of shareholders of preferred shares.
7. If preferred shares issued by the Company are convertible preferred shares, such

shares shall not be converted until one year from their issue date. The board of directors is authorized to determine the conversion period in the actual terms of issuance. Shareholders of convertible preferred shares may convert all or part of the preferred shares they hold into ordinary shares based on a 1:1 ratio in accordance with the terms of issuance. After conversion, preferred shares are converted into ordinary shares, the rights and obligations thereof shall be the same as ordinary shares. Dividends issued in the year of conversion shall be calculated based on the actual number of outstanding days in proportion to the number of days in the full year. However, in case of conversion before the record date for dividends distribution, the shareholders shall not participate in the distribution of dividends for preferred shares in the current year or dividends distribution in the subsequent year, but may participate in the distribution of profit and capital reserve for ordinary shares in the current year.

8. There is no maturity date for preferred shares. Shareholders of preferred shares have no right to demand that the Company redeems the preferred shares. However, at any time starting the day following the 5th anniversary date of issuance, the Company may redeem all or part of the preferred shares based on the actual issue price and applicable terms of issuance through cash redemption, mandatory conversion through issuance of new shares or other means permitted by law. For preferred shares that are not redeemed, the rights and obligations in accordance with the terms of issuance under this Article shall continue until redemption by the Company. If the shareholders' meeting of the Company resolves to distribute dividend in the year of redemption of preferred shares, dividends distributable as of the redemption date shall be calculated based on the actual outstanding days of the current year.
9. The board of directors is authorized to list preferred shares and ordinary shares converted from preferred shares in the over-the-counter market in accordance with the situation of the Company and the market.

The board of directors is authorized to determine the names, issue dates, specific terms of issuance and other relevant matters of preferred shares in accordance with the Articles of Association of the Company and applicable laws depending on the situation of the capital market and the investors' willingness to subscribe at the time of actual issuance.

Article 7 The Company may be exempted from printing any share certificate for the shares issued by the Company, provided that the Company shall appoint a centralized securities custody enterprise to make recordation of the issue of such shares.

Article 8 Registration for the transfer of stocks shall be suspended 60 days before any general shareholders' meeting, 30 days before any special shareholders' meeting, or 5 days before the record date for determination of the shareholders entitled to dividends, bonuses or any other profits distributed by the Company.

Chapter III - Shareholders' Meeting

Article 9 The shareholders meetings are categorized into the general shareholders' meeting and special shareholders' meeting. The general shareholders' meeting shall be convened once a year by the board of directors within six months after the close of each fiscal year. The special shareholders meetings shall be convened pursuant to laws, if necessary. Shareholders meetings of preferred shares may be held as required in accordance with the law.

Article 10 If a shareholder is unable to attend a shareholders' meeting for any cause, he/she shall appoint a proxy to attend the meeting on behalf of him/her by issuing a written proxy in the form printed by the Company and state therein the scope of authority affixed with his/her seal/signature.

Article 11 Unless otherwise provided by related laws, each of the Company's shareholders shall have one voting right.

Article 12 The resolution at the shareholders' meeting shall be adopted by a majority of the shareholders present who represent a majority of the total number of issued shares, unless otherwise provided in laws.

The Company's shareholders may also exercise their voting rights by way of electronic transmission as set forth in the notice for the shareholders' meeting. The shareholder who exercises his/her/its voting right by way of electronic transmission shall be deemed to have attended the shareholders' meeting in person, provided that such exercise shall constitute his/her/its waiver to any extemporary motions and amendments to any motions.

Article 12-1 The shareholders' meeting convened by the board of directors shall be chaired by the Chairman of the Board. Where the Chairman is on leave or fails to exercise his power with cause, he shall appoint the proxy to act on behalf of him pursuant to Paragraph 3 of Article 208 of the Company Act. Where the meeting is convened by any person other than the Board of Directors, the chairman shall be acted by the convener, provided that where there are more than two conveners, the chairman shall be elected from among themselves.

Article 12-2 Resolutions adopted at a 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 closing of the meeting.

The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be conducted by means of electronic transmission.

The distribution of the minutes of shareholders' meeting as required in Paragraph One of this Article may be effected by means of a public notice.

Chapter IV - Directors and Audit Committee

Article 13 The Company shall have 7~11 directors with a term of office of 3 years, who shall be elected under the candidate nomination system from the persons with disposing capacity at a shareholders' meeting and may be eligible for re-election. The total shareholdings held by all of its directors shall be prescribed subject to the securities competent authority's requirements.

For the duration of the term of office of directors, the Company shall take out liability insurance for directors with respect to liabilities resulting from the performance of duties during their terms of office, pursuant to laws, in order to mitigate and disperse the risk over significant damages caused by directors' fault or negligence to the Company and shareholders, if any. The Board of Directors is authorized to maintain such insurance with full power.

Article 13-1 Among the above number of directors, the Company's directors shall include no less than three independent directors who shall be no less than one-fifth of the whole directors. In the election of directors, independent directors and non-independent directors shall be elected at the same time and the number of elected directors shall be calculated, respectively. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Competent Security Authority.

Article 13-2 The Company has established an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, which is formed by all independent directors. One of such directors shall be the chairman and at least one shall possess accounting or financial expertise.

The audit committee or members of the audit committee is responsible for the performance of supervisors' duties under the Company Act, the Securities and Exchange Act and other laws and shall comply with applicable laws and regulations of the Company.

Article 14 The Board of Directors shall consist of directors, and shall elect the Chairman of the Board from among the directors by a majority vote at a directors' meeting attended by over two-thirds of the directors, respectively.

A Vice Chairman shall be elected from among the directors in the same manner.

The Chairman shall represent the Company externally, and execute the Company's business in accordance with laws, Articles of Incorporation, and resolution made by a shareholders' meeting or directors' meeting. The directors' meeting to convene notification shall be made in writing or by fax or e-mail, according to Article 204 of the Company Act. A director unable to attend the directors' meeting in person may authorize another director to attend the meeting on behalf of him/her by issuing a written proxy.

Article 15 Where the Chairman is on leave or fails to exercise his power with cause, he shall appoint the Vice Chairman to act on behalf of him pursuant to Article 208 of the Company Act.

Article 16 The Board of Directors shall be authorized to set the remuneration or salary to directors for their performance of duties on the basis of the level of their participation in the Company's operations and value of their contributions, and the general standards applicable in the same trade.

Chapter V - Managerial Officers

Article 17 The Company may appoint the president, vice president and several managerial officers, and the appointment and dismissal thereof or other matters related thereto shall be handled in accordance with Article 29 of the Company Act.

Chapter VI - Accounting

Article 18 The Company shall have the Board of Directors prepare the following documents at the end of each fiscal year: (1) Business report; (2) Financial statements; (3) Motion for allocation of earnings or covering of losses. Said documents shall be submitted to a general shareholders' meeting for ratification pursuant to laws.

Article 19 Deleted.

Article 20 If the Company has profits in a year, it shall allocate no less than 6% as employees' remuneration and no more than 4% as directors' remuneration, provided that where the Company retains accumulated losses, it shall first make up for the losses.

The profit referred to in the preceding paragraph shall mean the earnings before tax prior to deduction of employees' and directors' remuneration. Of the employee remuneration shall allocated at not less than 6% of such profit, no less than 10% shall be distributed to grassroots-level employees.

The recipients of the Company's employee remuneration include not only the employees of the Company, but also the employees of its directly or indirectly held subsidiaries in which the Company owns more than 50% of the shares.

Article 20-1 If the Company retains earnings upon final accounting, after paying taxes and covering losses for the previous year, the Company shall set aside 10% of the remainder, if any, as legal reserve, unless the legal reserve amounts to the total paid-in capital; the balance amount, if any, may be used to distribute dividends distributable for preferred shares in the current year, then, the Company shall set aside or reverse a reserve pursuant to laws, if any, plus unallocated earnings for the previous year shall be allocated upon resolution of a shareholders' meeting on the motion for allocation proposed by the Board of Directors.

As the Company takes stable development and solid financial structure into account, the allocation of earnings shall not less than 10% of the allocable earnings after deducting the earnings of previous year. When the allocable earnings after deducting the earnings of previous year less than 3% of the paid-in capital, the Company may waive the allocation upon resolution.

The Company's dividend policy adopts recapitalization of earnings, recapitalization of capital surplus and cash dividend to distribute dividends. The Company will solidify financial structure and protect shareholders' equity, subject to the Company's development and growth. The proportion of cash dividend shall be no less than 10% of the whole dividends.

In accordance with Articles 240 and 241 of the Company Act, the Company shall issue new shares or distribute cash for all or part of the dividends, bonus or capital reserve in accordance with the shareholders' original shareholding percentages. If cash is distributed, the board of directors is authorized to pass a resolution through the majority of directors attending a meeting that is attended by 2/3 or more directors, followed by a report to the shareholders' meeting. If new shares are issued, distribution shall be made after a shareholders' resolution.

Chapter VII - Bylaw

Article 21 Any matter not covered herein shall be implemented in accordance with the Company Act and other related laws.

Article 22 The Articles of Incorporation was established on July 29, 1983.
The 1st amendment was made on January 2, 1985.
The 2nd amendment was made on May 13, 1987.
The 3rd amendment was made on July 4, 1990.
The 4th amendment was made on June 8, 1991.
The 5th amendment was made on September 19, 1991.
The 6th amendment was made on October 22, 1993.
The 7th amendment was made on June 4, 1994.
The 8th amendment was made on September 1, 1994.
The 9th amendment was made on June 13, 1996.
The 10th amendment was made on October 23, 1997.
The 11th amendment was made on July 10, 1998.
The 12th amendment was made on February 24, 1999.
The 13th amendment was made on October 26, 1999.
The 14th amendment was made on December 6, 1999.
The 15th amendment was made on June 16, 2000.
The 16th amendment was made on May 7, 2001.
The 17th amendment was made on May 20, 2002.
The 18th amendment was made on June 30, 2004.
The 19th amendment was made on June 30, 2004.
The 20th amendment was made on June 14, 2005.
The 21st amendment was made on August 28, 2006.
The 22nd amendment was made on June 13, 2007.
The 23rd amendment was made on June 16, 2009.
The 24th amendment was made on June 17, 2010.
The 25th amendment was made on June 17, 2011.
The 26th amendment was made on June 12, 2012.
The 27th amendment was made on June 15, 2015.
The 28th amendment was made on June 22, 2016.
The 29th amendment was made on June 14, 2017.
The 30th amendment was made on June 18, 2019.
The 31st amendment was made on June 18, 2020.
The 32nd amendment was made on June 21, 2022.
The 33rd amendment was made on June 20,2025.

Rules and Procedures of Shareholders' Meetings

Article 1 To establish strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 6 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulations or the articles of incorporation, shall be as provided in these Rules.

Article 3 Convening shareholders' meetings and shareholders' meeting notices.

(1) Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

(2) To convene a general shareholders' meeting, a notice shall be given to each shareholder 30 days in advance. For shareholders holding less than 1,000 registered shares, the notice may be given on the Market Observation Post System 30 days in advance. To convene a special shareholders' meeting, a notice shall be given to each shareholder 15 days in advance. For shareholders holding less than 1,000 registered shares, the notice may be given on the Market Observation Post System 15 days in advance.

(3) The meeting notice shall specify the time during which shareholder attendance registrations will be accepted, the place to register for attendance, other matters for attention ,and the agenda.

(4) When the Company holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice.

(5) Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing the status as a public Company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, shall be set out and elaborate the essential contents in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of

securities affairs or the Company, and such website shall be indicated in the above notice.

(6) If the reasons for convening the shareholders' meeting have specified the full re-election of directors and the take office date, after the full re-election of directors has completed, the take office date shall not be changed by making an extraordinary motion or by any other methods.

(7) A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only and no proposal containing more than one item will be included in the meeting agenda. If a shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, the board of directors shall include it in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Article 4 Attendance to Shareholders' Meeting by Representation and Revocation of Proxy.

(1) For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

(2) A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

(3) After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person, a written notice of proxy cancellation shall be submitted to the Company 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes casted at the meeting by the proxy shall prevail.

Article 5 Principles determining the time and place of a shareholders' meeting.

Venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Article 6 Preparation of attendance book and other necessary documents.

(1) Shareholders and their proxies (hereinafter collectively referred to as "shareholders")

shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

(2) Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

(3) The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

(4) When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 The chairman and non-voting participants of a shareholders' meeting.

(1) If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

(2) It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors.

(3) If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

(4) The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 Documentation of a shareholders' meeting by audio or video.

The Company shall make an uninterrupted audio and video recording of the full proceedings of the shareholders' meeting and the recorded materials shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Number of shares present in a shareholders' meeting.

(1) Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

(2) The chairman shall call the meeting to order at the scheduled meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned.

(3) If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

(4) When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 Discussion of proposals.

(1) If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant proposals, including extemporary motions and amended proposals, shall be voted for resolutions case by case. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

(2) The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.

(3) The chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

(4) The chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion

closed and call for a vote and arrange adequate time for voting.

Article 11 Shareholder speech.

(1) Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

(2) A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

(3) Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 3 minutes. If the shareholders' speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

(4) When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.

(5) When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

(6) After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

Article 12 Calculation of voting shares and recusal system.

(1) Voting at a shareholders' meeting shall be calculated based the number of shares.

(2) With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

(3) With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13 Voting on proposals, vote monitoring and vote counting.

(1) A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares.

(2) When convening a shareholders' meeting, the Company shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. The method of exercise shall be stated in the notice of the shareholders' meeting. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. Therefore, the Company should avoid making extraordinary motions and amendments to original proposals.

(3) A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company 2 business days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

(4) After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

(5) Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall announce the total number of voting rights represented by the attending shareholders.

(6) Proposals shall be voted by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the Market Observation Post System.

(7) When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.

(8) Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.

Article 14 Elections.

(1) The election of directors at a shareholders' meeting shall be held in accordance with the election rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

(2) The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 Meeting Minutes and Signatures.

(1) Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System.

(2) The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the voting results, including the statistical weights, and the number of the voting rights of each candidate when electing directors, and shall be retained for the duration of the existence of the Company.

(3) The resolution manners under the previous paragraph shall be voted by the shareholders case-by-case and the results of the votes shall be specified in the minutes.

Article 16 Public disclosure.

(1) On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

(2) Matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the Market Observation Post System within the prescribed time period.

Article 17 Maintaining order at the meeting place.

(1) Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

(2) The chairman may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

(3) If a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairman may prevent the shareholder from so doing.

(4) When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 Recess and resumption of a shareholders' meeting.

(1) When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

(2) If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

(3) A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Article 20 These Rules were established on June 18, 2019.

The 1st amendment was made on June 18, 2020.

The 2nd amendment was made on August 11, 2021.

Appendix 4

Shareholdings of Directors

The legal minimum shareholdings of entire directors of YFC. And the registered shareholdings of respective and all directors on the shareholder roster as of the book closure date of this AGM:

1. YFC share number and the legal minimum shareholdings of current directors are as follows:

   Common shares issued: 146,462,640 shares
   The statutorily required number of shares held by all directors: 8,787,758 shares

2. Shareholdings by all board members are as follows:

Book Closure Date: April 11, 2026

Position	Name	Shares	Shareholding Ratio
Chairman	Yeh Chun Rong Representative of Good Win Investment Co., Ltd.	8,020,359	5.48%
Vice Chairman	Lin Shen Fu Representative of Great King Investment & Development Co., Ltd.	2,388,556	1.63%
Director	Chang Lung Kwang	3,094,503	2.11%
Director	Yeh Shou Wen	314,809	0.21%
Independent Director	Chen Chao Ting	0	0%
Independent Director	Wen Hui Mei	0	0%
Independent Director	Yuan Min-Jen	0	0%
	Total	13,818,227	9.43%

The shareholdings of all directors are compliant with the standard amount stipulated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.