

**J&V Energy Technology Co., Ltd. and  
Subsidiaries**

**Consolidated financial statements and  
independent auditors' report**

**December 31, 2025 and 2024**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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## **Statement of Responsibility**

For the year ended December 31, 2025 (from January 1, 2025 to December 31, 2025), the entities required to be included in the preparation of the consolidated financial statements of affiliated enterprises in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the consolidated financial statements of the Company and its subsidiaries in accordance with IFRS 10 Consolidated Financial Statements as endorsed by the Financial Supervisory Commission. Furthermore, all relevant information that is required to be disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the aforementioned consolidated financial statements of the Company and its subsidiaries. Accordingly, the Company has not prepared a separate set of consolidated financial statements of affiliated enterprises.

This statement is hereby made.

Company Name: J&V Energy Technology Co., Ltd.

Chairman: Liao, Fu-Sheng

Date: March 12, 2026

## **Independent Auditors' Report**

To the Board of Directors of J&V Energy Technology Co., Ltd.

### **Opinion**

The consolidated balance sheet of J&V Energy Technology Co., Ltd. and its subsidiaries as of December 31, 2025, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the period from January 1, 2025 to December 31, 2025, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies), have been audited by us.

In our opinion, based on our audit results and the audit reports of other auditors (please refer to the "Other Matters" section), the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Bulletins endorsed and issued into effect by the Financial Supervisory Commission, and fairly present the consolidated financial position of J&V Energy Technology Co., Ltd. and its subsidiaries as of December 31, 2025, and their consolidated financial performance and consolidated cash flows for the period from January 1, 2025 to December 31, 2025.

### **Basis for Opinion**

We conducted our audit in accordance with the "Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants" and the "Standards on Auditing". Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of this report. The personnel of the firm to which we belong who are subject to independence requirements have remained independent of J&V Energy Technology Co., Ltd. and its subsidiaries in accordance with the Code of Professional Ethics for Certified Public Accountants, and have fulfilled other responsibilities under that Code. Based on our audit results and the audit reports of other auditors, we believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

## **Other Matters**

The financial statements of certain subsidiaries and investments accounted for using the equity method included in the consolidated financial statements of J&V Energy Technology Co., Ltd. and its subsidiaries were not audited by us, but were audited by other auditors. Accordingly, our opinion on the aforementioned consolidated financial statements, insofar as it relates to the amounts included for those subsidiaries and investments accounted for using the equity method, is based on the audit reports of other auditors. The total assets of the aforementioned subsidiaries as of December 31, 2025 accounted for 5.4% of the consolidated total assets, and their net operating revenue for the period from January 1, 2025 to December 31, 2025 accounted for 30.6% of the consolidated net operating revenue. In addition, the amount of the investments accounted for using the equity method as of December 31, 2025 accounted for 2.6% of the consolidated total assets, and the share of profit or loss of associates accounted for using the equity method for the period from January 1, 2025 to December 31, 2025 accounted for 1.2% of the absolute value of consolidated loss before tax.

The consolidated financial statements of J&V Energy Technology Co., Ltd. and its subsidiaries for the year 2024 were audited by other auditors, who issued an audit report with an unmodified opinion and an Other Matters section on March 7, 2025.

J&V Energy Technology Co., Ltd. has also prepared separate financial statements for the years 2025 and 2024, on which we and other auditors have issued audit reports with unmodified opinions and Other Matters section, for reference.

## **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 J&V Energy Technology Co., Ltd. and its subsidiaries for the year 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not express a separate opinion on these matters. We have determined that the key audit matters to be communicated in our report are as follows:

### **Recognition of Construction Revenue – Assessment of Percentage of Completion**

For the accounting policy on the recognition of construction revenue, please refer to Note 4(16) Revenue Recognition to the consolidated financial statements; for the related accounting estimates and uncertainties, please refer to Note 5; and for further details, please refer to Note 6(20) Revenue from Contracts with Customers.

#### Description of Key Audit Matter:

Construction revenue of J&V Energy Technology Co., Ltd. and its subsidiaries is recognized over the contract period based on the percentage of completion. The percentage of completion is determined by reference to the proportion of costs incurred to date as of the end of the reporting period to the estimated total costs of each contract. The estimation of the total expected contract costs involves significant management judgment and may have a material impact on the recognition of construction revenue. Accordingly, the recognition of construction revenue has been identified as a key audit matter in our audit of the consolidated financial statements of J&V Energy Technology Co., Ltd. and its subsidiaries.

#### Audit Procedures in Response:

The principal audit procedures we performed in respect of the above key audit matter included the following: obtaining an understanding of and testing the internal control procedures over the revenue and cash receipts cycle to identify any material anomalies; understanding the internal procedures adopted by management for estimating the total contract costs and the basis of such estimates, and, where there were significant changes in the estimated total contract costs, verifying the relevant supporting documentation; selecting samples of certain projects to examine related supporting documents and evidence to confirm that the costs incurred to date used in calculating the percentage of completion for the current period had been properly recorded; and evaluating whether J&V Energy Technology Co., Ltd. and its subsidiaries have appropriately disclosed the relevant information relating to revenue.

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

Management is responsible for the preparation of consolidated financial statements that present fairly, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Bulletins endorsed and issued into effect by the Financial Supervisory Commission, and for maintaining 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 also responsible for assessing the ability of J&V Energy Technology Co., Ltd. and its subsidiaries 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 J&V Energy Technology Co., Ltd. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) of J&V Energy Technology Co., Ltd. and its subsidiaries are responsible for overseeing the financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards 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.

In performing an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following procedures:

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 sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that 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 internal control of J&V Energy Technology Co., Ltd. and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude, based on the audit evidence obtained, on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of J&V Energy Technology Co., Ltd. and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause J&V Energy Technology Co., Ltd. and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, 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 constituent entities 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, and for forming the Group's 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 the personnel of the firm to which we belong who are subject to independence requirements have complied with the Code of Professional Ethics for Certified Public Accountants regarding independence, and 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 J&V Energy Technology Co., Ltd. and its subsidiaries for the year 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA:

Approved Document Number Issued by  
the Securities Competent Authority

March 12, 2026

Financial Supervisory  
: Commission No. 1110336423  
Financial Supervisory  
Commission No. 1090332798

**J&V Energy Technology Co., Ltd. and Subsidiaries**

**Consolidated Balance Sheets**

**December 31, 2025 and 2024**

**Unit: NTS Thousand**

Assets		2025.12.31		2024.12.31		Liabilities and Equity		2025.12.31		2024.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (Note 6(1))	\$ 2,126,038	14	2,321,664	17	2100	Short-term borrowings (Notes 6(11), 7 and 8)	\$ 2,668,059	17	2,589,978	19
1136	Current financial assets at amortized cost (Notes 6(3) and 8)	246,998	2	215,283	2	2130	Current contract liabilities (Notes 6(20) and 7)	450,846	3	360,143	3
1140	Current contract assets (Notes 6(20) and 7)	1,252,289	8	469,242	3	2180	Notes and accounts payable (Note 7)	1,407,551	9	719,299	5
1170	Notes and accounts receivable (Notes 6(4), (20), and 7)	999,391	6	641,122	5	2200	Other payables (Notes 6(7), (12) and 7)	382,572	2	305,423	2
1200	Other receivables (Note 7)	184,695	1	183,660	1	2230	Current income tax liabilities	140,991	1	10,486	-
130X	Inventories	416,275	3	236,525	2	2280	Current lease liabilities (Note 6(14))	104,891	1	76,914	1
1410	Prepayments (Note 6(5))	664,569	4	468,262	3	2320	Long-term borrowings due within one year (Notes 6(13), 7, and 8)	422,349	2	176,594	1
1470	Other current assets	79,091	-	20,619	-	2399	Other current liabilities (Note 7)	29,707	-	60,153	-
		<u>5,969,346</u>	<u>38</u>	<u>4,556,377</u>	<u>33</u>			<u>5,606,966</u>	<u>35</u>	<u>4,298,990</u>	<u>31</u>
<b>Non-current assets:</b>						<b>Non-current liabilities:</b>					
1510	Non-current financial assets at fair value through profit or loss (Notes 6(2) and 8)	1,371,503	9	2,132,309	15	2540	Long-term borrowings (Notes 6(13), 7 and 8)	2,237,407	14	1,060,552	8
1535	Non-current financial assets at amortized cost (Notes 6(3) and 8)	93,675	1	87,547	-	2570	Deferred income tax liabilities (Note 6(16))	93,824	1	10,013	-
1550	Investments accounted for using equity method (Notes 6(6) and 7)	651,803	4	518,334	4	2580	Non-current lease liabilities (Note 6(14))	2,006,795	13	1,529,506	11
1600	Property, plant and equipment (Notes 6(8) and 8)	4,486,720	28	4,119,118	30	2650	Credit balance of investments accounted for using equity method (Note 6(6))	60,431	-	74,124	-
1755	Right-of-use assets (Note 6(9))	1,957,943	12	1,499,512	11	2670	Other non-current liabilities (Note 6(7))	333,499	2	145,122	1
1780	Intangible assets (Note 6(10))	449,560	3	322,838	2			<u>4,731,956</u>	<u>30</u>	<u>2,819,317</u>	<u>20</u>
1840	Deferred tax assets (Note 6(16))	403,747	3	248,616	2		<b>Total liabilities</b>	<u>10,338,922</u>	<u>65</u>	<u>7,118,307</u>	<u>51</u>
1900	Other non-current assets	440,118	2	384,584	3		<b>Equity attributable to owners of the parent company:</b>				
		<u>9,855,069</u>	<u>62</u>	<u>9,312,858</u>	<u>67</u>	3110	Ordinary share (Note 6(17))	1,378,300	9	1,378,300	10
						3200	Capital surplus (Notes 6(6), (7) and (17))	3,203,641	20	3,058,513	22
<b>Total assets</b>		<u><b>\$ 15,824,415</b></u>	<u><b>100</b></u>	<u><b>13,869,235</b></u>	<u><b>100</b></u>	3310	Legal reserve (Note 6(17))	310,407	2	197,109	1
						3320	Special reserve (Note 6(17))	1,854	-	-	-
						3350	Unappropriated retained earnings (Note 6(17))	505,306	3	1,890,900	14
						3400	Other equity interest	(19,029)	-	(1,854)	-
						3500	Treasury shares (Note 6(17))	(533,080)	(3)	(160,596)	(1)
								<u>4,847,399</u>	<u>31</u>	<u>6,362,372</u>	<u>46</u>
							<b>Equity attributable to owners of the parent company:</b>				
						36XX	Non-controlling interests (Note 6(7))	638,094	4	388,556	3
								<u>5,485,493</u>	<u>35</u>	<u>6,750,928</u>	<u>49</u>
							<b>Total equity</b>	<u>5,485,493</u>	<u>35</u>	<u>6,750,928</u>	<u>49</u>
							<b>Total liabilities and equity</b>	<u><b>\$ 15,824,415</b></u>	<u><b>100</b></u>	<u><b>13,869,235</b></u>	<u><b>100</b></u>

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Liao, Fu-Sheng

Manager: Chao, Shu-Min

Accounting Supervisor: Huang, Chih-Ying

**J&V Energy Technology Co., Ltd. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the Years Ended December 31, 2025 and 2024**

Unit: NT\$ thousand

		2025		2024	
		Amount	%	Amount	%
4000	<b>Operating revenue (Notes 6(20) and 7)</b>	\$ 7,469,018	100	3,793,297	100
5000	<b>Operating costs (Notes 6(14), (15), (21), 7, and 12)</b>	6,662,661	89	3,312,244	87
	<b>Gross profit</b>	806,357	11	481,053	13
5910	Less: Unrealized profit from sales	4,554	-	(27,301)	(1)
5920	Add: Realized profit from sales	20,801	-	17,299	-
	<b>Gross profit</b>	831,712	11	471,051	12
	<b>Operating expenses:</b>				
	(Notes 6(4), (14), (15), (18), (21), 7, and 12)				
6100	Selling expenses	127,729	2	122,726	3
6200	Administrative expenses	557,252	7	461,392	12
6450	Impairment loss	14,665	-	27,970	1
	<b>Total operating expenses</b>	699,646	9	612,088	16
	<b>Operating income (loss)</b>	132,066	2	(141,037)	(4)
	<b>Non-operating income and expenses:</b>				
7100	Interest income (Note 7)	28,269	-	17,201	1
7010	Other income (Notes 6(22) and 7)	32,093	-	17,166	-
7020	Other gains and losses (Note 4(3), 6(8), (10), (22) and 7)	(490,216)	(6)	1,297,540	34
7050	Financial costs (Notes 6(14) and (22) and 7)	(167,019)	(2)	(112,004)	(3)
7060	Share of profit of associates and joint ventures accounted for using equity method (Note 6(6))	(6,777)	-	4,441	-
	<b>Non-operating income and expenses</b>	(603,650)	(8)	1,224,344	32
	<b>Profit (loss) before tax</b>	(471,584)	(6)	1,083,307	28
7950	<b>Less: Income tax expense (benefit) (Note 6(16))</b>	62,877	1	(29,220)	(1)
	<b>Net profit (loss)</b>	(534,461)	(7)	1,112,527	29
8300	<b>Other comprehensive income:</b>				
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation of foreign operations	(28,010)	(1)	(2,673)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	-	-	-	-
	<b>Total items that may be reclassified subsequently to profit or loss</b>	(28,010)	(1)	(2,673)	-
8300	<b>Other comprehensive income for the period</b>	(28,010)	(1)	(2,673)	-
	<b>Total comprehensive income for the period</b>	<b>\$ (562,471)</b>	<b>(8)</b>	<b>1,109,854</b>	<b>29</b>
	<b>Net profit for the period attributable to:</b>				
	Owners of the parent	\$ (570,450)	(8)	1,132,985	30
	Non-controlling interests	35,989	1	(20,458)	(1)
		<b>\$ (534,461)</b>	<b>(7)</b>	<b>1,112,527</b>	<b>29</b>
	<b>Comprehensive income attributable to:</b>				
	Owners of the parent	\$ (587,625)	(8)	1,131,131	30
	Non-controlling interests	25,154	-	(21,277)	(1)
		<b>\$ (562,471)</b>	<b>(8)</b>	<b>1,109,854</b>	<b>29</b>
	<b>Earnings per Share (NT\$) (Note 6(19))</b>				
9710	<b>Basic earnings per share (Unit: NT\$)</b>	<b>\$ (4.20)</b>		<b>8.89</b>	
9810	<b>Diluted earnings per share (Unit: NT\$)</b>	<b>\$ (4.20)</b>		<b>8.64</b>	

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Liao, Fu-Sheng

Manager: Chao, Shu-Min

Accounting Supervisor: Huang, Chih-Ying

**J&V Energy Technology Co., Ltd. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the Years Ended December 31, 2025 and 2024**

**Unit: NTS thousand**

	Retained earnings				Other Equity		Total equity attributable to owners of the parent company	Non-controlling interests	Total equity	
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign operations				Treasury shares
<b>Balance as of January 1, 2024</b>	\$ 1,162,091	1,076,274	96,643	-	1,567,878	-	-	3,902,886	256,477	4,159,363
Net profit (loss) for the period	-	-	-	-	1,132,985	-	-	1,132,985	(20,458)	1,112,527
Other comprehensive income for the period	-	-	-	-	-	(1,854)	-	(1,854)	(819)	(2,673)
Total comprehensive income for the period	-	-	-	-	1,132,985	(1,854)	-	1,131,131	(21,277)	1,109,854
Appropriation and distribution of earnings:										
Provision of legal reserve	-	-	100,466	-	(100,466)	-	-	-	-	-
Payment of cash dividends	-	-	-	-	(709,497)	-	-	(709,497)	-	(709,497)
Changes in investments accounted for using equity method	-	(35)	-	-	-	-	-	(35)	-	(35)
Capital increase in cash	120,000	1,233,906	-	-	-	-	-	1,353,906	-	1,353,906
Conversion of convertible bonds	96,209	708,019	-	-	-	-	-	804,228	-	804,228
Treasury shares repurchased	-	-	-	-	-	-	(160,596)	(160,596)	-	(160,596)
Compensation cost of share-based payments	-	15,271	-	-	-	-	-	15,271	337	15,608
Changes in non-controlling interests	-	25,078	-	-	-	-	-	25,078	153,019	178,097
<b>Balance as of December 31, 2024</b>	<b>1,378,300</b>	<b>3,058,513</b>	<b>197,109</b>	<b>-</b>	<b>1,890,900</b>	<b>(1,854)</b>	<b>(160,596)</b>	<b>6,362,372</b>	<b>388,556</b>	<b>6,750,928</b>
Net profit (loss) for the period	-	-	-	-	(570,450)	-	-	(570,450)	35,989	(534,461)
Other comprehensive income for the period	-	-	-	-	-	(17,175)	-	(17,175)	(10,835)	(28,010)
Total comprehensive income for the period	-	-	-	-	(570,450)	(17,175)	-	(587,625)	25,154	(562,471)
Appropriation and distribution of earnings:										
Provision of legal reserve	-	-	113,298	-	(113,298)	-	-	-	-	-
Provision of special reserve	-	-	-	1,854	(1,854)	-	-	-	-	-
Payment of cash dividends	-	-	-	-	(681,650)	-	-	(681,650)	-	(681,650)
Changes in investments accounted for using equity method	-	(10,298)	-	-	(18,342)	-	-	(28,640)	-	(28,640)
Compensation cost of share-based payments	-	5,190	-	-	-	-	-	5,190	2,153	7,343
Treasury shares repurchased	-	-	-	-	-	-	(372,484)	(372,484)	-	(372,484)
Changes in ownership interests in subsidiaries	-	47,684	-	-	-	-	-	47,684	138,996	186,680
Difference between consideration paid/received and carrying amount of subsidiaries acquired or disposed	-	102,552	-	-	-	-	-	102,552	46,019	148,571
Changes in non-controlling interests	-	-	-	-	-	-	-	-	37,216	37,216
<b>Balance as of December 31, 2025</b>	<b>\$ 1,378,300</b>	<b>3,203,641</b>	<b>310,407</b>	<b>1,854</b>	<b>505,306</b>	<b>(19,029)</b>	<b>(533,080)</b>	<b>4,847,399</b>	<b>638,094</b>	<b>5,485,493</b>

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Liao, Fu-Sheng

Manager: Chao, Shu-Min

Accounting Supervisor: Huang, Chih-Ying

**J&V Energy Technology Co., Ltd. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the Years Ended December 31, 2025 And 2024**

Unit: NT\$ thousand

	2025	2024
<b>Cash flows from operating activities:</b>		
Net profit (loss) before tax for the period	\$ (471,584)	1,083,307
<b>Adjustments:</b>		
<b>Adjustments to reconcile loss (profit)</b>		
Depreciation	420,474	235,805
Amortization	19,896	8,173
Impairment loss	14,665	27,970
Net loss (gain) on financial assets at fair value through profit or loss	470,623	(1,290,360)
Interest expense	167,019	112,004
Interest income	(28,269)	(17,201)
Dividend income	(11,703)	(7,400)
Compensation cost of share-based payments	7,343	14,946
Share of loss (profit) of associates and joint ventures accounted for using equity method	6,777	(4,441)
Loss (gain) on disposal of property, plant, and equipment	(2,066)	141
Gain on disposal of intangible assets	-	(53)
Gain on disposal of investments	(119)	-
Gain arising from lease settlement	(5,139)	(713)
Impairment of non-financial assets	40,318	-
Unrealized gross profit from sales	(4,554)	27,301
Realized gross profit from sales	(20,801)	(17,299)
Total adjustments to reconcile loss (profit)	1,074,464	(911,127)
<b>Changes in operating assets and liabilities:</b>		
Contract assets	(776,245)	52,406
Notes and accounts receivable	(293,433)	(352,687)
Other receivables	14,652	(17,034)
Inventories	(163,169)	(160,813)
Prepayments	(191,011)	(71,587)
Other current assets	(58,663)	(12,884)
Contract liabilities - current	36,263	54,676
Notes and accounts payable	644,518	(141,314)
Other payables	(13,955)	33,996
Other liabilities	3,185	12,336
Provision for liabilities	(17,025)	(1,050)
Total adjustments	259,581	(1,515,082)
Cash outflow generated from operations	(212,003)	(431,775)
Interest received	25,319	18,253
Dividends received	13,011	22,258
Interest paid	(161,830)	(116,519)
Income taxes paid	(34,401)	(298,243)
<b>Net cash outflows from operating activities</b>	(369,904)	(806,026)
<b>Cash flows from investing activities:</b>		
Cash inflow (outflow) generated from business combination	(85,019)	13,301
Cash outflow from loss of control over subsidiaries	(870)	-
Decrease (increase) in financial assets at amortized cost	(37,843)	328,570
Acquisition of financial assets at fair value through profit or loss	(323,712)	(228,017)
Disposal of financial assets at fair value through profit or loss	553,895	65,645
Acquisition of investments accounted for using equity method	(98,317)	(159,993)
Acquisition of property, plant and equipment	(168,996)	(701,575)
Disposal of property, plant and equipment	19,257	21,108
Acquisition of intangible assets	(5,407)	(7,056)
Disposal of intangible assets	-	114
Increase in other non-current assets	11,382	(149,056)
Increase in refundable deposits	(58,979)	-
Increase in other receivables – related parties	(15,000)	-
<b>Net cash outflows from investing activities</b>	(209,609)	(816,959)
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	4,331,480	4,480,923
Decrease in short-term borrowings	(2,983,399)	(2,364,282)
Repayment of bonds	-	(400)
Proceeds from long-term borrowings	161,312	432,795
Repayment of long-term borrowings	(259,106)	(269,371)
Increase in other payables – related parties	10,297	-
Repayment of lease liabilities	(87,663)	(79,277)
Decrease in other non-current liabilities	-	(18,407)
Increase in guarantee deposits received	15,322	-
Payment of cash dividends	(681,650)	(709,497)
Capital increase in cash	-	1,353,906
Cost of treasury shares repurchased	(372,484)	(157,295)
Changes in non-controlling interests	277,489	178,759
<b>Net cash inflows from financing activities</b>	411,598	2,847,854
Effect of exchange rate changes on cash and cash equivalents	(27,711)	(2,673)
Net increase (decrease) in cash and cash equivalents	(195,626)	1,222,196
Cash and cash equivalents at beginning of period	2,321,664	1,099,468
Cash and cash equivalents at end of period	<b>\$ 2,126,038</b>	<b>2,321,664</b>

(Please refer to the accompanying notes to the consolidated financial statements for details)

Chairman: Liao, Fu-Sheng

Manager: Chao, Shu-Min

Accounting Supervisor: Huang, Chih-Ying

## **J&V Energy Technology Co., Ltd. and Subsidiaries**

### **Notes to the Consolidated Financial Statements**

**December 31, 2025 and 2024**

**(Unless otherwise noted, all amounts are expressed in NT\$ thousand)**

#### **I. Company History and Organization**

J&V Energy Technology Co., Ltd. (the "Company") was approved for establishment by the Ministry of Economic Affairs on February 15, 2016. Its registered address is 4F-1, No. 1, Jihu Road, Neihu District, Taipei City. The Company and its subsidiaries (collectively referred to herein as the "Group") are primarily engaged in energy technology services, power generation services, construction services, sales of parts of photovoltaic systems as well as energy storage equipment, environmental protection engineering, etc.

Shares of the Company were listed and commenced trading on the Taiwan Stock Exchange on June 19, 2024.

#### **II. Date of Authorization for Issuance of the Financial Statements**

These consolidated financial statements were authorized for issuance by the Board of Directors on March 12, 2026.

#### **III. Application of New, Amended and Revised Standards and Interpretations**

(I) Impact of adoption of new and amended standards and interpretations endorsed by the Financial Supervisory Commission (the "FSC")

The Group has applied the following newly amended International Financial Reporting Standards Accounting Standards from January 1, 2025, and such application has not had a material impact on the consolidated financial statements.

- Amendments to IAS 21 "Lack of Exchangeability"

(II) Impact of new IFRS Accounting Standards endorsed by the Financial Supervisory Commission (the "FSC") not yet adopted

The Group has assessed that the application of the following newly amended IFRS Accounting Standards, which will become effective on January 1, 2026, will not have a material impact on the consolidated financial statements.

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

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(III) New and Amended Standards and Interpretations Not Yet Endorsed by the Financial Supervisory Commission

Standards and interpretations issued and amended by the International Accounting Standards Board (the “IASB”) but not yet endorsed by the Financial Supervisory Commission, which may be relevant to the Group, are as follows:

<b>New or amended standards</b>	<b>Summary of key amendments</b>	<b>Effective date as issued by the IASB:</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two subtotals in the statement of profit or loss, and a single note on management performance measures. These amendments, together with enhanced guidance on how information is disaggregated in the financial statements, are intended to provide users with more useful and consistent information and will affect all entities.</p> <ul style="list-style-type: none"> <li>• More structured statement of profit or loss: Under current standards, entities use different formats to present their financial performance, making it difficult for investors to compare financial performance across entities. The new standard introduces a more structured statement of profit or loss, including a newly defined “operating profit” subtotal, and requires all income and expenses to be classified into three new categories based on the entity’s main business activities.</li> <li>• Management Performance measures (MPMs): The new standard introduces a definition of management performance measures and requires entities to provide, in a single note to the financial statements, an explanation of why each measure provides useful information, how it is calculated, and how it is reconciled to amounts recognized in accordance with IFRS Accounting Standards.</li> <li>• More disaggregated information: The new standard includes guidance on how entities should enhance the disaggregation of information in the financial statements. This includes guidance on whether information should be presented in the primary financial statements or further disaggregated in the notes.</li> </ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the Financial Supervisory Commission announced through a press release that Taiwan will adopt IFRS 18 starting from the 2028 fiscal year. Early adoption is permitted upon approval by the FSC.</p>

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

The Group is currently assessing the impact of the aforementioned standards and interpretations on its financial position and financial performance, and will disclose the relevant impacts when the assessment is completed.

The Group expects that the following other new and amended standards not yet endorsed by the Financial Supervisory Commission will not have a material impact on the consolidated financial statements:

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

### **IV. Summary of Significant Accounting Policies**

The significant accounting policies adopted in the preparation of these consolidated financial statements are summarized below. Except where otherwise indicated, these accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

#### **(I) Statement of Compliance**

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “Regulations”) and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Bulletins endorsed and issued into effect by the Financial Supervisory Commission (collectively referred to as the “IFRS Accounting Standards as endorsed by the FSC”).

#### **(II) Basis of Preparation**

##### **1. Measurement basis**

Except for financial assets at fair value through profit or loss, which are measured at fair value, these consolidated financial statements have been prepared on a historical cost basis.

##### **2. Functional currency and presentation currency**

Each entity in the Group determines its functional currency based on the currency of the primary economic environment in which it operates. These consolidated financial statements are presented in New Taiwan dollars, which is the functional currency of the Company. All financial information presented in New Taiwan dollars is expressed in thousands of New Taiwan dollars.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### (III) Basis of Consolidation

#### 1. Principles of preparation of consolidated financial statements

The consolidated financial statements comprise the Company and entities controlled by the Company (i.e., subsidiaries). The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. All intra-group transactions, balances, and any unrealized income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to non-controlling interests, even if this results in non-controlling interests having a deficit balance.

The financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions with owners. Any difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the assets (including goodwill), liabilities and non-controlling interests of the former subsidiary are derecognized in the consolidated financial statements at their carrying amounts as of the date when control is lost. Any retained investment in the former subsidiary is remeasured at its fair value at the date when control is lost. The resulting gain or loss on disposal is measured as the difference between (1) the aggregate of the fair value of the consideration received and the fair value of any retained investment in the former subsidiary at the date when control is lost, and (2) the aggregate of the carrying amounts of the assets (including goodwill), liabilities and non-controlling interests of the subsidiary at the date when control is lost. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### 2. Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements are as follows:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of Ownership (%)		Description
			2025.12.31	2024.12.31	
The Company	Jin Cheng Energy Co., Ltd. (Jin Cheng Energy)	Power generation services	100%	100%	
"	Chen Yu Energy Co., Ltd. (Chen Yu Energy)	Power generation services	100%	100%	
"	Fu Di Energy Co., Ltd. (Fu Di Energy)	Power generation services	100%	100%	
"	Kuang Ting Energy Co., Ltd. (Kuang Ting Energy)	Power generation services	100%	100%	
"	JV Asset Management Co., Ltd. (JV Asset Management) formerly: YUN YI ENERGY CO., LTD.	Management Consultant	70%	100%	Note 2
"	Xu Xiao Power Co., Ltd. (Xu Xiao Power)	Power generation services	100%	100%	
"	J&M Power Development Co., Ltd. (J&M Power)	Power generation services	100%	100%	
"	Phanta Energy Inc. (Phanta Energy)	Energy technology services	82%	76%	Note 2
"	Formosa Biomass Co., Ltd. (Formosa Biomass)	Bioenergy development and energy technology services	- %	83%	Note 1
"	Guang Liang Energy Co., Ltd. (Guang Liang Energy)	Power generation services	100%	100%	
"	Zhu Ri Energy Co., Ltd. (Zhu Ri Energy)	Power generation services	100%	100%	
"	Greenet Co., Ltd. (Greenet)	Renewable energy electricity sales	77%	100%	Note 2
"	Recharge Power Co., Ltd. (Recharge Power)	Energy storage system auxiliary services	65%	68%	Note 2
"	Chuang Jie Energy Co., Ltd. (Chuang Jie Energy)	Power generation services	100%	100%	
"	Weisheng Envirotech Co., Ltd. (Weisheng Envirotech)	Environmental protection engineering	59%	61%	Note 2
"	Rui Neng Energy Co., Ltd. (Rui Neng Energy)	Power generation services	100%	100%	
"	Zhongneng Energy Co., Ltd. (Zhongneng Energy)	Power generation services	100%	100%	
"	Skynergy Co., Ltd. (Skynergy)	Energy technology services	100%	100%	
"	Storm Power Co., Ltd. (Storm Power)	Energy storage system auxiliary services	100%	100%	
"	Jin Jie Energy Co., Ltd. (Jin Jie Energy)	Power generation services	100%	100%	Note 2
"	Jin Hong Energy Co., Ltd. (Jin	Power generation	100%	100%	

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of Ownership (%)		Description
			2025.12.31	2024.12.31	
	Hong Energy)	services			
"	Yong Ze Energy Co., Ltd. (Yong Ze Energy)	Power generation services	100%	100%	
"	Guang Hui Energy Co., Ltd. (Guang Hui Energy)	Power generation services	100%	100%	
"	Diwei Power Co., Ltd. (Diwei Power)	Power generation services	100%	100%	
"	Nexus Materials Inc. (Nexus Materials)	Manufacturing of recycled plastic products	56%	56%	Note 2
"	Victory New Energies Company Limited (Victory New Energies)	Energy technology services	60%	60%	Note 2
"	JNV Philippines Renewable Corporation (JNV(PH))	Power generation services	100%	100%	Note 4
"	Fu Bao Le Hao Energy Co., Ltd. (Fu Bao Le Hao)	Energy technology services	17%	100%	Notes 3 and 4.
"	GSSG Solar Taiwan 1 Co., Ltd. (GSSG Solar Taiwan 1)	Power generation services	100%	100%	Note 2
"	Weway Power Company Limited (Weway Power)	Energy technology services	100%	100%	Note 4
"	SolarX Development Corporation (SolarX(PH))	Energy technology services	80%	80%	Note 4
"	Yao Heng Lin Co., Ltd. (Yao Heng Lin)	Power generation services	100%	100%	
"	Yu Wei Power Co., Ltd. (Yu Wei Power)	Power generation services	100%	100%	
"	Pine Wind Power Co., Ltd. (Pine Wind Power)	Energy technology services	100%	100%	Note 4
"	HowSmart Technology (HowSmart)	Biotechnology services and waste management	90%	- %	Notes 2 and 4.
"	Lu Ching Energy Co., Ltd. (Lu Ching Energy)	Power generation services	100%	- %	Note 2
"	JV Energy Technology Holding (Thailand) Company Limited (JV Holding(TH))	Power generation services	100%	- %	Note 4
"	Greenwell Technology Co., Ltd. (Greenwell Technology)	Power generation services	100%	- %	Note 2
"	Tian Rui Energy Co., Ltd. (Tian Rui Energy)	Power generation services	100%	- %	Note 4
"	Tian Chen Energy Co., Ltd. (Tian Chen Energy)	Power generation services	100%	- %	Note 4
"	Neng Zhan Energy Co., Ltd. (Neng Zhan Energy)	Power generation services	100%	- %	Note 4
Fu Bao Le Hao	Xiang Guang Energy Co., Ltd. (Xiang Guang Energy)	Power generation services	- %	100%	Note 3
Skynergy	Tian Chuang Energy Co., Ltd. (Tian Chuang Energy)	Power generation services	100%	100%	

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of Ownership (%)		Description
			2025.12.31	2024.12.31	
Recharge Power	Recharge Power Ltd. (Recharge Power)	Energy storage system auxiliary services	95%	95%	Note 4
"	Reens Co., Ltd. (Reens)	Energy technology services	88%	63%	Note 2
"	Future Grid No. 1 Ltd. (Future Grid)	Energy storage system auxiliary services	99%	99%	Note 4
Weisheng Envirotech	Ze Rong Investment Co., Ltd. (Ze Rong Investment)	General investment	100%	- %	Note 2
Ze Rong Investment	Z-Tech Water Co., Ltd. (Z-Tech Water)	Environmental Engineering and Water Resource	77%	- %	Note 2
JVHolding (TH)	SolarX Renewable (Thailand) Company Limited (SolarX (TH))	Power generation services	100%	- %	Note 4
"	JNV Solar Innovations Company Limited (JNV(TH))	Power generation services	100%	- %	Note 4

Note 1: Formosa Biomass was dissolved in October 2023, as approved by the Ministry of Economic Affairs, and completed its liquidation in February 2025.

Note 2: Please refer to Note 6(7) for information on the Group's acquisitions of subsidiaries and changes in ownership interests in subsidiaries.

Note 3: Fu Bao Le Hao completed a cash capital increase in February 2025. Because the Group did not subscribe in proportion to its original shareholding, it lost control of that subsidiary, Fu Bao Le Hao, and of the second-tier subsidiary, Xiang Guang Energy. On the date control was lost, the Group measured its remaining interest in the former subsidiary at fair value and classified it as an investment accounted for using the equity method. The Group recognized a gain of NT\$119 thousand from the transaction, which was recorded under other gains and losses.

Note 4: This refers to the subsidiaries and second-tier subsidiaries newly established by the Group in each year.

### (IV) Foreign Currency

#### 1. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions. At the end of each reporting period (the "reporting date"), monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date when the fair value was determined, while those measured at historical cost are translated at the exchange rate at the date of the transaction. Exchange differences arising from translation are recognized in profit or loss.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### 2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into New Taiwan dollars at the exchange rate at the reporting date. Income and expenses are translated into New Taiwan dollars at the average exchange rate for the period. Exchange differences arising from such translation are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, joint control or significant influence is lost, the cumulative exchange differences relating to that foreign operation are reclassified in full to profit or loss. When a subsidiary that includes a foreign operation is partially disposed of, the relevant cumulative exchange differences are reattributed to non-controlling interests on a proportionate basis. When an investment in an associate or a joint venture that includes a foreign operation is partially disposed of, the relevant cumulative exchange differences are reclassified to profit or loss on a proportionate basis.

### (V) Classification of Current and Non-current Assets and Liabilities

The Group classifies an asset as current when one of the following criteria is met. All other assets are classified as non-current:

1. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
2. The asset is held primarily for the purpose of trading;
3. The Group expects to realize the asset within twelve months after the reporting period; or
4. The asset is cash or cash equivalents (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies a liability as current when one of the following criteria is met. All other liabilities are classified as non-current:

1. The Group expects to settle the liability in its normal operating cycle;
2. The liability is held primarily for the purpose of trading;
3. The liability is due to be settled within twelve months after the reporting period; or
4. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(VI) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are presented as cash equivalents.

(VII) Financial Instruments

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets (other than trade receivables without a significant financing component) and financial liabilities that are not measured at fair value through profit or loss are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance. Trade receivables without a significant financing component are initially measured at their transaction price.

1. Financial assets

Purchases or sales of financial assets that qualify as regular way trades, the Group applies trade date accounting consistently to all purchases and sales of financial assets classified in the same manner.

At initial recognition, financial assets are classified as: financial assets measured at amortized cost and financial assets at fair value through profit or loss. The Group only reclassifies all affected financial assets when it changes its business model for managing financial assets, and such reclassification is made from the beginning of the next reporting period.

(1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at fair value through profit or loss:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

Subsequently, such assets are measured at amortized cost, which is calculated by taking the amount at initial recognition, adjusted for the cumulative amortization using the effective interest method and for any loss allowance. Interest income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss. Upon derecognition, any gain or loss is recognized in profit or loss.

### (2) Financial assets at fair value through profit or loss

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. At initial recognition, the Group may irrevocably designate financial assets that meet the criteria for measurement at amortized cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

Subsequently, such assets are measured at fair value, and the net gain or loss (including any dividend and interest income) is recognized in profit or loss.

### (3) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, trade receivables, other receivables, refundable deposits and other financial assets) and contract assets.

The following financial assets are measured for loss allowances at an amount equal to 12-month expected credit losses, while others are measured at an amount equal to lifetime expected credit losses:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank deposits for which the credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are measured at an amount equal to lifetime expected credit losses.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the expected credit losses that result from default events that are possible within twelve months after the reporting date (or a shorter period if the expected life of the financial instrument is less than twelve months).

The maximum period considered when measuring expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

In determining whether the credit risk has increased significantly since initial recognition, the Group considers reasonable and supportable information that is available without undue cost or effort, including both qualitative and quantitative information, and analysis based on the Group's historical experience, credit assessment and forward-looking information.

When contractual payments are more than 90 days past due, the Group presumes that the credit risk of a financial asset has increased significantly.

When contractual payments are more than 180 days past due, or when the borrower is unlikely to pay its credit obligations to the Group in full, the Group considers the financial asset to be in default.

Expected credit losses are probability-weighted estimates of credit losses over the expected life of a financial instrument. Credit losses are measured as the present value of all cash shortfalls, i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. Expected credit losses are discounted using the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets measured at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, such as a default or past due for more than 180 days;

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

- The Group, for economic or contractual reasons relating to the borrower's financial difficulty, granting a concession to the borrower that the Group would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

When the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof, it directly reduces the gross carrying amount of the financial asset. The Group makes an individual assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects that amounts written off will not be subject to significant reversal. However, financial assets that are written off may still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

### (4) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset have been transferred to another entity, or it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

When the Group enters into a transaction to transfer a financial asset, if it retains all or substantially all the risks and rewards of ownership of the transferred asset, the asset continues to be recognized in the balance sheet.

## 2. Financial liabilities and equity instruments

### (1) Classification of liabilities or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### (2) Equity transactions

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

(3) Treasury shares

When the Group reacquires its own equity instruments, the consideration paid (including any directly attributable costs) is recognized as a deduction from equity. The shares reacquired are classified as treasury shares. When treasury shares are subsequently sold or reissued, the amounts received are recognized as an increase in equity, and any resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital surplus is insufficient to offset the deficit).

(4) Financial liabilities

Financial liabilities are classified as measured at amortized cost and are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(5) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. When the terms of a financial liability are modified and the cash flows of the modified liability are substantially different, the original financial liability is derecognized and a new financial liability is recognized at fair value based on the modified terms.

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

(6) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and presented on a net basis in the balance sheet only when the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### **(VIII) Inventories**

Inventories are measured at the lower of cost and net realizable value. Cost includes expenditures incurred in acquiring the inventories and bringing them to their existing location and condition, and is determined using the weighted-average method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### **(IX) Investments in associates**

Associates are entities over which the Group has significant influence on their financial and operating policies, but not control or joint control.

The Group accounts for its interests in associates and joint ventures using the equity method. Under the equity method, an investment is initially recognized at cost, and the cost of the investment includes transaction costs. The carrying amount of investments in associates and joint ventures includes goodwill identified on initial acquisition, less any accumulated impairment losses.

The consolidated financial statements include, from the date on which significant influence commences until the date on which significant influence ceases, the Group's share of the profit or loss and other comprehensive income of those associates and joint ventures, after adjustments have been made to conform their accounting policies to those of the Group. When an associate or a joint venture has changes in equity other than those arising from profit or loss and other comprehensive income, and such changes do not affect the Group's ownership interest therein, the Group recognizes its share of such changes in equity in proportion to its ownership interest as capital surplus. Unrealized gains and losses resulting from transactions between the Company and its associates and joint ventures are recognized in the financial statements only to the extent of the interests in the associates and joint ventures that are not related to the investor. When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Group discontinues recognizing its share of further losses and recognizes additional losses and related liabilities only to the extent that it has incurred legal obligations, constructive obligations, or made payments on behalf of the investee.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

When the Group ceases to apply the equity method because its investment is no longer an associate or a joint venture, the Group measures any retained interest at fair value. The difference between the fair value of the retained interest and the disposal proceeds and the carrying amount of the investment at the date when the equity method is discontinued is recognized in profit or loss. For all amounts previously recognized in other comprehensive income in relation to that investment, the accounting treatment is the same as that which would be required if the associate or joint venture had directly disposed of the related assets or liabilities. Accordingly, if gains or losses previously recognized in other comprehensive income would be reclassified to profit or loss (or retained earnings) on the disposal of the related assets or liabilities, the Group reclassifies those gains or losses from equity to profit or loss (or retained earnings) when it discontinues the use of the equity method. If the Group reduces its ownership interest in an associate or a joint venture but continues to apply the equity method, the Group reclassifies to profit or loss (or retained earnings, as appropriate) a proportionate share of the gains or losses previously recognized in other comprehensive income that relate to the reduction in ownership interest.

When an associate or a joint venture issues new shares and the Group does not subscribe in proportion to its ownership interest, resulting in a change in the Group's ownership interest and a corresponding increase or decrease in the carrying amount of the investment, such change is recognized as an adjustment to capital surplus and the investment accounted for using the equity method. If such adjustment reduces capital surplus and the balance of capital surplus arising from investments accounted for using the equity method is insufficient, the difference is debited to retained earnings. However, if the Group's ownership interest in an associate or a joint venture is reduced as a result of not subscribing in proportion to its ownership interest, amounts previously recognized in other comprehensive income in relation to that associate or joint venture are reclassified in proportion to the reduction. The accounting treatment is the same as that which would be required if the associate or joint venture had directly disposed of the related assets or liabilities.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### (X) Joint arrangements

A joint arrangement is an arrangement over which two or more parties have joint control. Joint arrangements include joint operations and joint ventures, and have the following characteristics: (a) the parties are bound by a contractual arrangement; and (b) the contractual arrangement gives two or more of those parties joint control of the arrangement. IFRS 11 “Joint Arrangements” defines joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (i.e., activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., joint venturers) have rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. A joint venturer shall recognize its interest in a joint venture as an investment and account for that investment using the equity method in accordance with IAS 28, unless the entity is exempted from applying the equity method in accordance with that standard. For the accounting treatment of the equity method, please refer to Note 4(9).

In assessing the classification of a joint arrangement, the Group considers the structure of the arrangement, the legal form of any separate vehicle, the terms of the contractual arrangement and other facts and circumstances. When facts and circumstances change, the Group reassesses whether the type of joint arrangement in which it is involved has changed.

### (XI) Property, Plant and Equipment

#### 1. Recognition and measurement

Items of property, plant and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment losses.

If significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### 2. Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

### 3. Depreciation

Depreciation is calculated based on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful life of each component.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

- (1) Buildings and leasehold improvements: 2 to 35 years
- (2) Machinery and equipment: 3 to 20 years
- (3) Office and other equipment: 2 to 20 years

The Group reviews the depreciation method, useful lives and residual values at each annual reporting date and adjusts them when necessary.

## (XII) Leases

The Group assesses whether a contract is, or contains, a lease at the inception of the contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### 1. Lessee

The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset and restore the site or the asset, less any lease incentives received. Subsequently, the right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of its useful life or the end of the lease term. In addition, the Group periodically assesses whether the right-of-use asset is impaired and recognizes any impairment losses, and adjusts the right-of-use asset for any remeasurement of the lease liability.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined; if not, the Group uses its incremental borrowing rate. In general, the Group uses its incremental borrowing rate as the discount rate.

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

- (1) Fixed payments, including in-substance fixed payments;
- (2) Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- (3) Amounts expected to be payable under residual value guarantees; and
- (4) The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate the lease.

Subsequently, the lease liability is measured using the effective interest method, and is remeasured when:

- (1) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- (2) There is a change in the amounts expected to be payable under residual value guarantees;
- (3) There is a change in the assessment of whether a purchase option for the underlying asset will be exercised;
- (4) There is a change in the assessment of whether an extension or termination option will be exercised, resulting in a change in the lease term; or
- (5) There is a modification to the lease, such as a change in the underlying asset, the scope of the lease, or other terms and conditions.

When the lease liability is remeasured due to changes in an index or a rate used to determine lease payments, changes in the amounts expected to be payable under residual value guarantees, or changes in the assessment of whether a purchase, extension or termination option will be exercised, a corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

For lease modifications that decrease the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and any difference between the reduction in the carrying amount of the right-of-use asset and the remeasurement of the lease liability is recognized in profit or loss.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities as separate line items in the balance sheet. For short-term leases and leases of low-value underlying assets, the Group has elected not to recognize right-of-use assets and lease liabilities, and instead recognizes the related lease payments as an expense on a straight-line basis over the lease term.

### **2. Lessor**

When the Group acts as a lessor, it classifies each lease at the inception date as either a finance lease or an operating lease, depending on whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If it does, the lease is classified as a finance lease; otherwise, it is classified as an operating lease. In making this assessment, the Group considers certain indicators, including whether the lease term covers a major part of the economic life of the underlying asset.

When the Group is an intermediate lessor in a sublease transaction, it accounts for the head lease and the sublease as separate contracts, and classifies the sublease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the recognition exemption is applied, the sublease is classified as an operating lease.

Assets held under a finance lease are presented as finance lease receivables at an amount equal to the net investment in the lease. Initial direct costs incurred in negotiating and arranging a lease are included in the net investment in the lease. The net investment in the lease is recognized as interest income over the lease term in a pattern that reflects a constant periodic rate of return. For operating leases, lease payments received are recognized as rental income on a straight-line basis over the lease term.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### (XIII) Intangible assets

#### 1. Recognition and measurement

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible assets with finite useful lives acquired by the Group are measured at cost less accumulated amortization and accumulated impairment losses.

#### 2. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

#### 3. Amortization

Except for goodwill, amortization is calculated based on the cost of an asset less its estimated residual value and is recognized in profit or loss on a straight-line basis over its estimated useful life from the date that it is available for use.

The estimated useful lives for the current and comparative periods are as follows:

- (1) Customer relationships: 10 to 19 years
- (2) Service contracts: 6 years
- (3) Computer software: 1 to 5 years
- (4) Others: 5 to 20 years

The Group reviews the amortization method, useful lives and residual values of intangible assets at each annual reporting date and adjusts them when necessary.

### (XIV) Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that the carrying amount of a non-financial asset (other than inventories, contract assets and deferred tax assets) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. Goodwill is tested for impairment annually.

For the purpose of impairment testing, assets are grouped into the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets (cash-generating units). Goodwill acquired in a business combination is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the synergies of the combination.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

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

If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, an impairment loss is recognized. Impairment losses are recognized immediately in profit or loss and are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

Goodwill impairment losses were not reversed. Reversals for non-financial assets other than goodwill were recognized only to the extent that the carrying amount did not exceed the amount that would have been determined (less depreciation or amortization) had the impairment loss not been recognized in prior periods.

### **(XV) Provisions**

A provision is recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably. Provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as interest expense.

A provision for warranties is recognized when goods or services are sold. The provision is measured based on historical warranty data and all possible outcomes weighted by their associated probabilities.

The Group estimates the costs related to dismantling, relocation, module recycling fees and site restoration obligations arising from solar power plants, and recognizes a provision for decommissioning liabilities.

### **(XVI) Revenue recognition**

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or service to a customer. The Group's main revenue streams are described below:

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### **1. Project and construction revenue**

The Group provides services related to project development and construction contracting, including solar power generation systems, battery energy storage systems and wastewater treatment systems. As control of the assets is transferred to the customer over time during the construction process, revenue is recognized over time based on the proportion of costs incurred to date to the estimated total contract costs. Contracts are for fixed consideration, and customers make payments of fixed amounts in accordance with the agreed schedule. The Group recognizes revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Amounts recognized as revenue that have not yet been billed are presented as contract assets. When the Group has an unconditional right to consideration, the contract assets are reclassified to accounts receivable.

When the Group expects that the unavoidable costs of fulfilling a construction contract will exceed the economic benefits expected to be received from the contract, a provision for onerous contracts is recognized. If circumstances change, estimates of revenue, costs and the stage of completion are revised, and the resulting increases or decreases are recognized in profit or loss in the period in which management becomes aware of the change and revises the estimates.

### **2. Revenue from power generation**

The Group operates solar power plants and provides related energy technology services, primarily engaging in the ownership, management and operation of solar power plants. Revenue is recognized when electricity is delivered to Taipower or corporate customers, the amount of revenue can be measured reliably, and it is probable that the economic benefits will flow to the Group.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### 3. Service revenue

The Group provides operation and management services, project site operation and maintenance services, and qualified trader services. For contracts with fixed consideration, revenue is recognized based on the proportion of services performed to date relative to the total services to be performed at the reporting date. This proportion is determined based on the extent of services performed relative to the total services to be performed. Customers make payments in accordance with the agreed schedule. When the services provided by the Group exceed the amounts billed to customers, a contract asset is recognized. When the amounts billed to customers exceed the services provided by the Group, a contract liability is recognized.

For contracts with variable consideration, revenue is recognized to the extent that the Group has a right to invoice, which is typically based on a fixed percentage of the revenue generated from providing ancillary services on the electricity trading platform for each project. The Group bills customers on a monthly basis and is entitled to consideration upon issuance of invoices.

### 4. Sales revenue

The Group sells components and equipment for solar power generation and energy storage systems. Revenue is recognized when control of the products is transferred to the customer. Transfer of control occurs when the products are delivered to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the products. Delivery occurs when the products are shipped to a specified location, the risks of loss have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all acceptance criteria have been satisfied. The Group recognizes accounts receivable when the goods are delivered, as the Group has an unconditional right to consideration at that point.

### 5. Financing component

The Group expects that, for all customer contracts, the period between the transfer of goods or services to the customer and the payment by the customer for those goods or services will not exceed one year. Accordingly, the Group does not adjust the transaction price for the time value of money.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### (XVII) Employee benefits

#### 1. Defined contribution plans

Obligations for contributions to defined contribution retirement plans are recognized as an expense during the periods in which employees render services.

#### 2. Short-term employee benefits

Obligations for short-term employee benefits are recognized as an expense when the related services are provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by employees, and the obligation can be estimated reliably.

### (XVIII) Share-based payment transactions

Equity-settled share-based payment arrangements are measured at the fair value at the grant date, and the expense is recognized over the vesting period with a corresponding increase in equity. The amount recognized as an expense is adjusted based on the number of awards expected to satisfy the service conditions and non-market vesting conditions, and the final amount recognized is measured based on the number of awards that satisfy the service conditions and non-market vesting conditions at the vesting date.

The grant date of the Group's share-based payment arrangements is the date on which the Group and the employees reach a mutual understanding of the subscription price and the number of shares to be subscribed.

### (XIX) Income tax

Income tax comprises current tax and deferred tax. Except for items related to business combinations or recognized directly in equity or other comprehensive income, current tax and deferred tax are recognized in profit or loss.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax is measured as the best estimate of the amount expected to be paid or received, reflecting any uncertainty related to income taxes, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities at the reporting date and their respective tax bases.

Deferred tax is not recognized for the following temporary differences:

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

1. The initial recognition of assets or liabilities in a transaction that is not a business combination and that, at the time of the transaction (i), affects neither accounting profit nor taxable income (loss), and (ii) does not give rise to equal taxable and deductible temporary differences;
2. Temporary differences arising from investments in subsidiaries, associates and joint ventures, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
3. Taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits carried forward, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reassessed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized, or reversed to the extent that it becomes probable that sufficient taxable profits will be available to utilize the benefits.

Deferred tax is measured using the tax rates expected to apply when the temporary differences reverse, based on tax rates enacted or substantively enacted at the reporting date, and reflects any uncertainty related to income taxes (if any).

Deferred tax assets and deferred tax liabilities are offset only when the Group:

1. has a legally enforceable right to offset current tax assets against current tax liabilities; and
2. when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (1) the same taxable entity; or
  - (2) different taxable entities that intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets are expected to be recovered or deferred tax liabilities are expected to be settled.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### **(XX) Business combinations**

The Group accounts for each business combination using the acquisition method. Goodwill is measured as the excess of the fair value of the consideration transferred at the acquisition date over the net amount (generally at fair value) of the identifiable assets acquired and liabilities assumed. If the net amount is negative, the Group reassesses whether it has correctly identified all of the assets acquired and liabilities assumed, and then recognizes the resulting gain on a bargain purchase in profit or loss. Transaction costs related to business combinations, other than those associated with the issuance of debt or equity instruments, are recognized as expenses as incurred.

For non-controlling interests in an acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, the Group measures them, on a transaction-by-transaction basis, either at fair value at the acquisition date or at the proportionate share of the recognized amounts of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at fair value at the acquisition date or on another basis as specified by IFRSs as endorsed by the FSC.

If the initial accounting for a business combination is not complete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete, and retrospectively adjusts those provisional amounts or recognizes additional assets or liabilities during the measurement period to reflect new information obtained about facts and circumstances that existed at the acquisition date. The measurement period shall not exceed one year from the acquisition date.

### **(XXI) Earnings per share**

The Group presents basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by adjusting both profit or loss attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

The Group's dilutive potential ordinary shares include convertible bonds and estimated employee compensation.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### (XXII) Department Information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the Group. The operating results of all operating segments are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment has discrete financial information.

### **V. Critical Accounting Judgments and Key Sources of Estimation Uncertainty**

In preparing these consolidated financial statements, management is required to make judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Management continuously reviews the estimates and underlying assumptions, which are consistent with the Group's risk management and climate-related commitments. Changes in estimates are recognized prospectively in the period of the change and in any future periods affected.

The accounting policies adopted in these consolidated financial statements do not involve significant judgments.

The following assumptions and sources of estimation uncertainty have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year. The related information is set out below:

#### Construction revenue recognition

The Group recognizes construction revenue based on the stage of completion of construction contracts, measured by the proportion of contract costs incurred to date to the estimated total contract costs. In estimating total contract costs, the Group considers factors such as the nature of each project, the expected construction period, and the scope of work. However, changes in the industry environment and construction conditions may result in variations in the estimated total contract costs. Any changes in these underlying estimates may result in material adjustments to the estimated amounts. Management continuously reviews the estimates and underlying assumptions, and changes in accounting estimates are recognized in the period of the change and in any future periods affected.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

The Group's accounting policies and disclosures include the use of fair value measurements for its financial and non-financial assets and liabilities. The Group has established internal control procedures for fair value measurements and regularly reviews significant unobservable inputs and adjustments. When inputs used in measuring fair value are obtained from third parties (such as brokers or pricing services), the Group evaluates the evidence supporting those inputs to determine whether the resulting valuations and the related fair value hierarchy classifications comply with the requirements of IFRSs.

In measuring the fair value of its assets and liabilities, the Group uses market observable inputs as far as possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation techniques, as follows:

- (I) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (II) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- (III) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If transfers between levels of the fair value hierarchy occur, the Group recognizes such transfers at the reporting date. For further information on the assumptions used in measuring fair value, please refer to Note 6(23).

### VI. Details of Significant Accounts

- (I) Cash and cash equivalents

	2025.12.31	2024.12.31
Petty cash	\$ 751	883
Demand deposits and checking accounts	2,109,271	2,320,781
Time deposits	16,016	-
	<b>\$ 2,126,038</b>	<b>2,321,664</b>

- (II) Financial assets at fair value through profit or loss

	2025.12.31	2024.12.31
<b>Financial assets mandatorily measured at fair value through profit or loss:</b>		
Non-current:		
Domestic listed stocks	\$ 1,045,630	109,625
Domestic emerging stocks	103,651	1,636,574
Unlisted stocks	222,222	386,110
	<b>\$ 1,371,503</b>	<b>2,132,309</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

1. Details of the pledge of the above financial assets by the Group as collateral, please refer to Note 8.
2. The Group's investee, Dong Fang Offshore Co., Ltd., was listed in November 2025.

(III) Financial assets measured at amortized cost

	<b>2025.12.31</b>	<b>2024.12.31</b>
Current:		
Time deposits and restricted demand deposits.	<b>\$ 246,998</b>	<b>215,283</b>
Non-current:		
Time deposits and restricted demand deposits.	<b>\$ 93,675</b>	<b>87,547</b>

1. The Group has assessed that it holds these assets to collect contractual cash flows, and that the cash flows of these financial assets consist solely of payments of principal and interest on the principal outstanding. Accordingly, they are presented as financial assets measured at amortized cost.
2. Details of the pledge of the above financial assets by the Group as collateral, please refer to Note 8.

(IV) Notes and accounts receivable

	<b>2025.12.31</b>	<b>2024.12.31</b>
Notes receivable	\$ 132	-
Accounts receivable	859,977	584,134
Accounts receivable - related parties	153,893	58,650
Less: Allowance for uncollectible accounts	(14,611)	(1,662)
	<b>\$ 999,391</b>	<b>641,122</b>

1. The Group applies the simplified approach to estimate expected credit losses for all notes and accounts receivable, i.e., it measures expected credit losses over the lifetime. For this measurement purpose, such notes and accounts receivable are grouped according to common credit risk characteristics that represent the customers' ability to pay all amounts due under the contractual terms, and have incorporated forward-looking information, including macroeconomic and relevant industry information. The analysis of the Group's expected credit losses for notes and accounts receivable is as follows:

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

	<b>2025.12.31</b>		
	<b>Carrying amount of notes and accounts receivable</b>	<b>Weighted-average expected credit loss rate</b>	<b>Loss allowance for lifetime expected credit losses</b>
Not past due	\$ 768,453	0.03%	255
Overdue 1-90 days	56,306	0.03%	17
Overdue 91-180 days	143,413	2.07%	2,966
Overdue for more than 181 days	45,830	24.82%	11,373
	<b>\$ 1,014,002</b>		<b>14,611</b>
		<b>2024.12.31</b>	
	<b>Carrying amount of notes and accounts receivable</b>	<b>Weighted-average expected credit loss rate</b>	<b>Loss allowance for lifetime expected credit losses</b>
Not past due	\$ 493,941	0.05%	239
Overdue 1-90 days	147,465	0.03%	45
Overdue 91-180 days	-	0%	-
Overdue for more than 181 days	1,378	100%	1,378
	<b>\$ 642,784</b>		<b>1,662</b>

2. The changes in the loss allowance for notes and accounts receivable of the Group are as follows:

	<b>2025</b>	<b>2024</b>
Beginning balance	\$ 1,662	52,864
Recognized impairment losses	12,950	6,785
Writeoff of amounts irrecoverable of the current year	-	(57,987)
Impact of exchange rates	(1)	-
Ending balance	<b>\$ 14,611</b>	<b>1,662</b>

3. The Group's notes and accounts receivable were not pledged as collateral.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(V)	Prepayments	<b>2025.12.31</b>	<b>2024.12.31</b>
	Prepayments for constructions	\$ 310,911	255,974
	Prepayments for project development expenses	168,443	13,968
	Input VAT	50,563	13,967
	Prepayments to suppliers	33,688	66,233
	Offset against business tax payable	31,628	32,093
	Prepaid insurance	24,261	46,497
	Others	45,075	39,530
		<b>\$ 664,569</b>	<b>468,262</b>

(VI) Investments accounted for using the equity method (credit balance)  
The Group's investments accounted for using the equity method as of the reporting date are presented as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Associates and joint ventures	<b>\$ 591,372</b>	<b>444,210</b>
Investments accounted for using equity method	\$ 651,803	518,334
Credit balance of investments accounted for using equity method	(60,431)	(74,124)
	<b>\$ 591,372</b>	<b>444,210</b>

1. In November 2025, the Group acquired a portion of the equity interest in Guan Qing Energy for cash consideration of NT\$48,170 thousand. As a result of the acquisition, the Group's ownership interest increased from 8% to 16%, and the transaction resulted in a decrease of NT\$28,987 thousand in equity attributable to owners of the parent.
2. Information on associates that are material to the Group is as follows:

Name of associate	Main business activities	Principal place of business / country of incorporation	Percentage of ownership interest and voting rights	
			2025.12.31	2024.12.31
Greenhealth	Environmental protection engineering	Taiwan	20.58%	20.45%

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

	<b>2025.12.31</b>	<b>2024.12.31</b>
Current assets	\$ 6,111	6,133
Non-current assets	2,076,941	1,998,313
Current liabilities	(264,500)	(264,427)
Net assets	<b>\$ 1,818,552</b>	<b>1,740,019</b>
	<b>2025</b>	<b>2024</b>
Operating revenue	<b>\$ 33,673</b>	<b>28,509</b>
Profit for the period	28,534	26,648
Other comprehensive income	-	-
Total comprehensive income	<b>\$ 28,534</b>	<b>26,648</b>
	<b>2025</b>	<b>2024</b>
The Group's share of net assets of associates at the beginning of the period	\$ 355,911	310,705
Increase in capital of associates during the period attributable to the Group	12,415	40,216
Total comprehensive income for the period attributable to the Group	5,871	4,990
The Group's share of net assets of associates at the end of the period	374,197	355,911
Add: goodwill	32,686	32,686
Carrying amount of the Group's interests in associates at the end of the period	<b>\$ 406,883</b>	<b>388,597</b>

3. The associates and joint ventures of the Group using the equity method are all individually immaterial, and their consolidated financial information is as follows. This financial information refers to the amounts included in the consolidated financial statements of the Group:

	<b>2025</b>	<b>2024</b>
Share attributable to the Group:		
Net loss for the period	<b>\$ (12,648)</b>	<b>(549)</b>

4. The Group's investments accounted for using the equity method were not pledged as collateral.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(VII) Acquisitions of subsidiaries and changes in ownership interests in subsidiaries

1. Acquisition of Subsidiary - Lu Ching Energy

(1) Consideration transferred for the acquisition of subsidiaries

On August 6, 2025 (the acquisition date), the Group acquired a 100% equity interest in Lu Ching Energy for cash consideration of NT\$9,275 thousand, obtained control of Lu Ching Energy, and included it in the Group from the acquisition date. The Group expects that the acquisition will strengthen its position in Energy markets.

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Lu Ching Energy as of August 6, 2025:

**Consideration for the transfer:**

Cash	\$	9,275
<b>Less: Fair value of the identifiable assets acquired and liabilities:</b>		
Cash	\$	1,250
Prepayments		1,678
Other current assets		800
Property, plant and equipment		35,633
Right-of-use assets		2,474
Other non-current assets		325
Other payables		(5,579)
Other current liabilities		(18)
Long-term borrowings		(25,937)
Lease liabilities		(2,443)
Other non-current liabilities		(482)
		7,701
Goodwill	<b>\$</b>	<b>1,574</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(3) Deemed information on operating results

From the acquisition date through December 31, 2025, the operating results of Lu Ching Energy were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and profit before tax of NT\$373 thousand and NT\$237 thousand, respectively. Had the acquisition occurred on January 1, 2025, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2025 would have been NT\$7,469,018 thousand and NT\$470,604 thousand, respectively.

2. Acquisition of Subsidiary - Greenwell Technology

(1) Consideration transferred for the acquisition of subsidiaries

On September 3, 2025 (the acquisition date), the Group acquired a 100% equity interest in Greenwell Technology for cash consideration of NT\$151,023 thousand, obtained control of Greenwell Technology, and included it in the Group from the acquisition date. The Group expects that the acquisition will strengthen its position in Energy markets.

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Greenwell Technology as of September 3, 2025:

**Consideration for the transfer:**

Cash	\$	151,023
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**Less: Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	6,552
Accounts receivable		2,229
Prepayments		2,186
Other current assets		11,528
Property, plant and equipment		301,685
Right-of-use assets		38,212
Other non-current assets		1,990
Accounts payable		(108)
Other payables		(745)
Long-term borrowings		(224,552)
Lease liabilities		(38,760)
Other non-current liabilities		(4,765)
Goodwill		<u>95,452</u>
		<u>\$ 55,571</u>

The above information was determined on a provisional foundation.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

The Group will continue to review the above matters during the measurement period. If, within one year from the acquisition date, new information is obtained that relates to facts and circumstances that existed at the acquisition date and that enables identification of adjustments to the provisional amounts described above or of any additional provisions for liabilities that existed at the acquisition date, the accounting treatment of the acquisition will be revised.

### **(3) Deemed information on operating results**

From the acquisition date through December 31, 2025, the operating results of Greenwell Technology were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and profit before tax of NT\$14,581 thousand and NT\$6,373 thousand, respectively. Had the acquisition occurred on January 1, 2025, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2025 would have been NT\$7,490,370 thousand and NT\$461,474 thousand, respectively.

### **3. Acquisition of Subsidiary - Z-Tech Water**

#### **(1) Consideration transferred for the acquisition of subsidiaries**

The Group's subsidiary, Weisheng Envirotech, on May 2, 2025 (the acquisition date), acquired a 77% equity interest in Z-Tech Water by paying cash of NT\$134,994 thousand and by issuing new shares through a capital increase, thereby obtaining control of Z-Tech Water and including it in the Group from the acquisition date. The Group expects that the acquisition will strengthen its position in the environmental engineering market. As of December 31, 2025, NT\$53,637 thousand of the purchase consideration remained unpaid and will be settled according to the agreed schedule; this amount is recorded under other payables and other non-current liabilities.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Z-Tech Water as of May 2, 2025:

**Consideration for the transfer:**

Cash	\$	134,994
Equity instruments		43,775
Non-controlling interests		51,203

**Less: Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	127,565
Accounts receivable		75,009
Inventories		16,581
Other current assets		18,328
Property, plant and equipment		41,044
Right-of-use assets		2,272
Intangible assets		94,806
Other non-current assets		5,622
Accounts payable		(43,626)
Other payables		(6,162)
Current tax liabilities		(11,479)
Lease liabilities		(2,309)
Other current liabilities		(54,557)
Other non-current liabilities		(37,830)
		225,264
Goodwill	\$	<b>4,708</b>

The above information was determined on a provisional foundation.

The Group will continue to review the above matters during the measurement period. If, within one year from the acquisition date, new information is obtained that relates to facts and circumstances that existed at the acquisition date and that enables identification of adjustments to the provisional amounts described above or of any additional provisions for liabilities that existed at the acquisition date, the accounting treatment of the acquisition will be revised.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(3) Deemed information on operating results

From the acquisition date through December 31, 2025, the operating results of Z-Tech Water Co., Ltd. were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and profit before tax of NT\$87,064 thousand and NT\$41,758 thousand, respectively. Had the acquisition occurred on January 1, 2025, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2025 would have been NT\$7,566,681 thousand and NT\$457,148 thousand, respectively.

4. Acquisition of Subsidiary - Reens

(1) Consideration transferred for the acquisition of subsidiaries

On November 6, 2024 (the acquisition date), the Group acquired a 63% equity interest in Reens for cash consideration of NT\$32,813 thousand, obtained control of Reens, and included it in the Group from the acquisition date. The Group expects that the acquisition will strengthen its position in overseas Energy markets.

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Reens as of November 6, 2024:

**Consideration for the transfer:**

Cash	\$	32,813
Non-controlling interests		4,380

**Less: Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	38,032	
Accounts receivable		4,653	
Prepayments		3,148	
Other current assets		152	
Property, plant and equipment		278	
Other non-current assets		164	
Contract liabilities - current		(29,505)	
Accounts payable		(1,260)	
Other payables		(3,452)	
Other current liabilities		(40)	
Long-term borrowings		(429)	11,741
Goodwill		<u>\$</u>	<u>25,452</u>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(3) Deemed information on operating results

From the acquisition date through December 31, 2024, the operating results of Reens were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and loss before tax of NT\$5,550 thousand and NT\$315 thousand, respectively. Had the acquisition occurred on January 1, 2024, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2024 would have been NT\$3,813,238 thousand and NT\$1,091,692 thousand, respectively.

5. Acquisition of Subsidiary - Victory New Energies

(1) Consideration transferred for the acquisition of subsidiaries

On September 10, 2024 (the acquisition date), the Group acquired a 60% equity interest in Victory New Energies through a cash capital increase of NT\$8,862 thousand, obtained control of Victory New Energies, and included it in the Group from the acquisition date. The Group expects that the acquisition will strengthen its position in overseas Energy markets.

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Victory New Energies as of September 10, 2024:

**Consideration for the transfer:**

Cash	\$	8,862
Non-controlling interests		4,448

**Less: Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	10,397	
Prepayments		216	
Other non-current assets		652	
Other payables		(145)	11,120
Goodwill		\$	2,190

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(3) Deemed information on operating results

From the acquisition date through December 31, 2024, the operating results of Victory New Energies were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and loss before tax of NT\$0 thousand and NT\$2,043 thousand, respectively. Had the acquisition occurred on January 1, 2024, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2024 would have been NT\$3,793,297 thousand and NT\$1,080,462 thousand, respectively.

6. Acquisition of Subsidiary — GSSG Solar Taiwan 1

(1) Consideration transferred for the acquisition of subsidiaries

On July 26, 2024, the Group acquired 100% of the equity of GSSG Solar Taiwan 1 for cash consideration of NT\$211,098 thousand, obtaining control over GSSG Solar Taiwan 1 and including it in the Group from that date. The Group expects that the acquisition will strengthen its position in the energy market. As of December 31, 2025 and 2024, unpaid amounts of the consideration of NT\$185,437 thousand and NT\$193,432 thousand, respectively, are recorded under other payables and other non-current liabilities and will be paid according to the agreed schedule.

(2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of GSSG Solar Taiwan 1 as of July 26, 2024:

**Consideration for the transfer:**

Cash	\$	<u><u>211,098</u></u>
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**Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	518
Prepayments		3,731
Property, plant and equipment		160,975
Right-of-use assets		433,342
Intangible assets		194,301
Other non-current assets		6
Accounts payable		(23,646)
Other payables		(47,733)
Lease liabilities		(510,396)
Total identifiable net assets	\$	<u><u>211,098</u></u>

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

As of July 26, 2024, the GSSG Solar Taiwan 1 solar project had not yet commenced, and therefore did not meet the business definition for a business combination under the acquisition method. As a result, the Group did not apply the business combination accounting treatment.

### 7. Acquisition of Subsidiary - Nexus Materials

#### (1) Consideration transferred for the acquisition of subsidiaries

On January 10, 2024, the Group purchased a 47% equity interest in Nexus Materials for cash consideration of NT\$72,728 thousand. On April 15, 2024 (the acquisition date), the Group obtained control of Nexus Materials by virtue of securing a majority of the company's board seats, and from that date included Nexus Materials in the Group. The Group expects that the acquisition will strengthen its position in the recycled materials market.

#### (2) Acquisition of identifiable net assets

The following sets forth the fair values of the acquisition of identifiable assets and the liabilities assumed of Nexus Materials as of April 15, 2024:

#### **Consideration for the transfer:**

Fair value of the acquiree's pre-existing equity interests	\$	68,306
Non-controlling interests		61,770

#### **Less: Fair value of the identifiable assets acquired and liabilities:**

Cash	\$	23,619	
Accounts receivable		4,846	
Inventories		1,463	
Other receivables		3	
Prepayments		15,745	
Property, plant and equipment		47,410	
Right-of-use assets		131,082	
Intangible assets		229	
Deferred tax assets		1,323	
Other non-current assets		22,988	
Notes payable		(11)	
Accounts payable		(218)	
Other payables		(2,027)	
Lease liabilities		(131,082)	
Other current liabilities		(24)	
Long-term borrowings		(268)	115,078
Goodwill			<u><u>\$ 14,998</u></u>

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(3) Deemed information on operating results

From the acquisition date through December 31, 2024, the operating results of Nexus Materials were included in the Group's consolidated statement of comprehensive income, contributing operating revenue and loss before tax of NT\$19,423 thousand and NT\$41,470 thousand, respectively. Had the acquisition occurred on January 1, 2024, the Group's pro forma operating revenue and profit before tax for the period from January 1 to December 31, 2024 would have been NT\$3,800,656 thousand and NT\$1,086,515 thousand, respectively.

8. Changes in the Actual Acquisition or Disposal of Subsidiary Stake

- (1) In February 2024, the Group participated in a cash capital increase of its subsidiary Jin Jie Energy. Because it did not subscribe pro rata to its ownership interest, its shareholding decreased from 100% to 51%. The transaction caused non-controlling interests to increase by NT\$2,814 thousand and equity attributable to owners of the parent to increase by NT\$238 thousand.
- (2) In June and September 2024, the Group participated in a cash capital increase of its subsidiary Nexus Materials. Because it did not subscribe pro rata to its ownership interest, its shareholding increased from 47% to 56%. The transaction caused non-controlling interests to increase by NT\$3,851 thousand in total and equity attributable to owners of the parent to decrease by NT\$1,123 thousand in total.
- (3) In August and November 2024, the Group participated in a cash capital increase of its subsidiary Recharge Power. Because it did not subscribe pro rata to its ownership interest, its shareholding decreased from 79% to 68%. The transaction caused non-controlling interests to increase by NT\$87,726 thousand and equity attributable to owners of the parent to increase by NT\$26,894 thousand.
- (4) In December 2024, the Group acquired an additional 49% equity interest in its subsidiary Jin Jie Energy for cash consideration of NT\$3,053 thousand, resulting in an increase in its ownership interest from 51% to 100%. This transaction resulted in a decrease in non-controlling interests of NT\$2,803 thousand and a decrease in equity attributable to owners of the parent of NT\$250 thousand.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

- (5) In April 2025, the Group participated in a cash capital increase of its subsidiary HowSmart. Because it did not subscribe pro rata to its ownership interest, its shareholding decreased from 100% to 90%. The transaction caused non-controlling interests to increase by NT\$2,978 thousand and equity attributable to owners of the parent to increase by NT\$22 thousand.
  - (6) The Group disposed of a total of 13% of its shares in Greenet in April and June 2025, reducing its ownership interest from 90% to 77%, with total disposal proceeds of NT\$160,000 thousand. The transaction resulted in an increase in non-controlling interests of NT\$54,337 thousand and an increase in equity attributable to the parent company's owners of NT\$105,663 thousand.
  - (7) In November 2025, the Group increased its equity interest in Phanta Energy Inc. for cash consideration, resulting in an increase in its ownership interest from 76% to 82%. This transaction resulted in a decrease in non-controlling interests of NT\$152 thousand and an increase in equity attributable to owners of the parent of NT\$152 thousand.
  - (8) In December 2025, Recharge Power, a subsidiary of the Group, increased its equity interest in Reens for cash consideration, resulting in an increase in its ownership interest in Reens from 63% to 88%. This transaction resulted in a decrease in non-controlling interests of NT\$11,174 thousand and a decrease in equity attributable to owners of the parent of NT\$3,285 thousand.
9. Changes in ownership interests in subsidiaries
- (1) The employee stock options issued by JV Asset Management led to a capital increase completed in January 2025, resulting in the Group's ownership interest decreasing from 100% to 70%. The transaction caused an increase in non-controlling interests of NT\$37,363 thousand and an increase in equity attributable to the parent company's owners of NT\$137 thousand.
  - (2) The employee stock options issued by Greenet led to a capital increase completed in January 2025, resulting in the Group's ownership interest decreasing from 100% to 90%. The transaction caused an increase in non-controlling interests of NT\$38,995 thousand and an increase in equity attributable to the parent company's owners of NT\$20,525 thousand.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

- (3) Between February and June 2025, the Group's ownership interest decreased from 67.9% to 67.6% due to the repurchase of treasury shares by its subsidiary, Recharge Power, and the transfer of shares to employees. The above transactions resulted in an increase in non-controlling interests of NT\$2,906 thousand and an increase in equity attributable to the parent company's owners of NT\$40 thousand.
- (4) In May 2025, the Group's subsidiary, Weisheng Envirotech, acquired shares of Z-Tech Water through cash and issuance of new shares, resulting in the Group's ownership interest decreasing from 61% to 59%. The transaction led to an increase in non-controlling interests of NT\$27,492 thousand and an increase in equity attributable to the parent company's owners of NT\$16,283 thousand.
- (5) In December 2025, Recharge Power, a subsidiary of the Group, carried out a cash capital increase. As the Group did not subscribe in proportion to its shareholding, its ownership interest decreased from 67.6% to 65.5%. This transaction resulted in an increase in non-controlling interests of NT\$22,147 thousand and an increase in equity attributable to owners of the parent of NT\$1,353 thousand.
- (6) In December 2025, Recharge Power completed a capital increase resulting from the exercise of employee share options. As a result, the Group's ownership interest decreased from 65.5% to 65.1%. This transaction resulted in an increase in non-controlling interests of NT\$10,093 thousand and an increase in equity attributable to owners of the parent of NT\$9,346 thousand.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(VIII) Property, plant and equipment

	<b>Land</b>	<b>Machinery and equipment</b>	<b>Buildings and leases improvements</b>	<b>Office and other equipment</b>	<b>Unfinished construction</b>	<b>Total</b>
<b>Cost:</b>						
Balance as of January 1, 2025	\$ -	4,297,877	55,019	57,735	269,865	4,680,496
Additions	2,478	168,748	19,438	20,863	120,981	332,508
Disposals	-	(17,144)	(14,098)	(4,878)	-	(36,120)
Reclassifications	-	14,876	3,145	(3,986)	(13,678)	357
Acquired through business combinations	26,024	405,430	16,384	1,502	-	449,340
Impact of exchange rate changes	-	-	-	(98)	-	(98)
Balance as of December 31, 2025	<u>\$ 28,502</u>	<u>4,869,787</u>	<u>79,888</u>	<u>71,138</u>	<u>377,168</u>	<u>5,426,483</u>
Balance as of January 1, 2024	\$ -	1,769,641	30,691	27,161	1,919,210	3,746,703
Additions	-	577,548	31,111	19,966	75,494	704,119
Disposals	-	(9,689)	(8,016)	(4,025)	(6,273)	(28,003)
Reclassifications	-	1,872,094	-	7,423	(1,879,541)	(24)
Acquired through business combinations	-	88,283	1,233	7,210	160,975	257,701
Balance as of December 31, 2024	<u>\$ -</u>	<u>4,297,877</u>	<u>55,019</u>	<u>57,735</u>	<u>269,865</u>	<u>4,680,496</u>
<b>Depreciation and impairment:</b>						
Balance as of January 1, 2025	\$ -	521,776	18,351	21,251	-	561,378
Depreciation expense for the period	-	273,184	15,591	12,549	-	301,324
Impairment loss	-	25,320	-	-	-	25,320
Disposals	-	(214)	(14,098)	(4,617)	-	(18,929)
Reclassifications	-	820	-	(1,083)	-	(263)
Acquired through business combinations	-	68,112	1,726	1,140	-	70,978
Impact of exchange rate changes	-	-	-	(45)	-	(45)
Balance as of December 31, 2025	<u>\$ -</u>	<u>888,998</u>	<u>21,570</u>	<u>29,195</u>	<u>-</u>	<u>939,763</u>
Balance as of January 1, 2024	\$ -	355,259	14,306	9,375	-	378,940
Depreciation expense for the period	-	121,987	7,842	10,334	-	140,163
Disposals	-	-	(3,797)	(2,957)	-	(6,754)
Reclassifications	-	(99)	-	99	-	-
Acquired through business combinations	-	44,629	-	4,409	-	49,038
Impact of exchange rate changes	-	-	-	(9)	-	(9)
Balance as of December 31, 2024	<u>\$ -</u>	<u>521,776</u>	<u>18,351</u>	<u>21,251</u>	<u>-</u>	<u>561,378</u>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

	Land	Machinery and equipment	Buildings and improve ments	Office and other equipment	Unfinished construction	Total
<b>Carrying amount:</b>						
Balance as of December 31, 2025	\$ 28,502	3,980,789	58,318	41,943	377,168	4,486,720
Balance as of December 31, 2024	\$ -	3,776,101	36,668	36,484	269,865	4,119,118
Balance as of January 1, 2024	\$ -	1,414,382	16,385	17,786	1,919,210	3,367,763

1. For details of the Group's property, plant, and equipment pledged as collateral, please refer to Note 8.
2. In 2025, due to changes in the Group's operating plans, impairment losses of NT\$25,320 thousand were recognized on certain assets based on their carrying amounts and were recorded under other gains and losses. No such event occurred in 2024.

(IX) Right-of-use assets

1. The carrying amount of right-of-use assets and the depreciation expense are as follows:

	Land	Housing and constructio n	Transport ation equipmen t	Total
<b>Carrying amount:</b>				
Balance as of December 31, 2025	\$ 1,684,565	247,357	26,021	1,957,943
Balance as of December 31, 2024	\$ 1,369,088	120,121	10,303	1,499,512
Balance as of January 1, 2024	\$ 422,940	126,810	6,187	555,937
<b>Depreciation:</b>				
2025	\$ 74,655	36,154	8,341	119,150
2024	\$ 60,183	28,990	6,469	95,642

2. Additions to the Group's right-of-use assets amounted to NT\$563,779 thousand and NT\$544,919 thousand in 2025 and 2024, respectively. Amounts recognized from business combinations were NT\$42,958 thousand and NT\$564,424 thousand in 2025 and 2024, respectively.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(X) Intangible assets

Details of changes in the cost and accumulated amortization of the Group's intangible assets are as follows:

	<u>Goodwill</u>	<u>Customer contracts and other matters</u>	<u>Total</u>
Balance as of January 1, 2025	\$ 70,493	252,345	322,838
Additions for the period	-	5,407	5,407
Amortization for the period	-	(19,896)	(19,896)
Impairment loss for the period	(14,998)	-	(14,998)
Acquired through business combinations	61,853	94,806	156,659
Reclassifications	-	(450)	(450)
Balance as of December 31, 2025	<u>\$ 117,348</u>	<u>332,212</u>	<u>449,560</u>

	<u>Goodwill</u>	<u>Customer contracts and other matters</u>	<u>Total</u>
Balance as of January 1, 2024	\$ 27,853	49,726	77,579
Additions for the period	-	6,995	6,995
Amortization for the period	-	(8,173)	(8,173)
Acquired through business combinations	42,640	194,530	237,170
Reclassifications	-	9,267	9,267
Balance as of December 31, 2024	<u>\$ 70,493</u>	<u>252,345</u>	<u>322,838</u>

**Carrying value:**

Balance as of December 31, 2025	<u>\$ 117,348</u>	<u>332,212</u>	<u>449,560</u>
Balance as of December 31, 2024	<u>\$ 70,493</u>	<u>252,345</u>	<u>322,838</u>
Balance as of January 1, 2024	<u>\$ 27,853</u>	<u>49,726</u>	<u>77,579</u>

1. Intangible assets recognized from business combinations represent those identified upon the Group's acquisition of subsidiaries in 2025 and 2024. For related information, please refer to Note 6(7).

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

2. Impairment testing of goodwill

At the reporting date, the Group performed an impairment assessment of the recoverable amount of goodwill arising from the acquisition of Nexus Materials, using value in use as the basis for determining the recoverable amount. The value in use was estimated based on cash flow projections from financial forecasts covering a five-year period and discounted at an annual rate of 9.78% to reflect the specific risks of the relevant cash-generating unit. In 2025, as the recoverable amount was lower than the carrying amount, an impairment loss of NT\$14,998 thousand was recognized and recorded under other gains and losses. No such event occurred in 2024.

3. None of the Group's intangible assets were pledged as collateral.

(XI) Short-term borrowings

1. The details of the Group's short-term borrowings are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Bank credit borrowings	\$ 1,513,325	899,832
Bank secured borrowings	1,154,734	1,690,146
	<b>\$ 2,668,059</b>	<b>2,589,978</b>
End-of-period interest rate range	<b>2.12%~3%</b>	<b>2.2%~3.62%</b>

2. For details concerning related parties of the Group acting as joint guarantors and pledging assets as collateral for bank borrowings, please refer to Note 7 and 8.

3. The Group has entered into short-term construction and medium-to-long-term operational loan agreements with banks for the establishment and operation of renewable energy projects. As of December 31, 2024, there is still a short-term loan of NT\$1,200,000 thousand for the construction period, which will be reclassified as long-term debt upon meeting the operational conditions. No such event occurred as of December 31, 2025.

(XII) Other payables

The details of the Group's other payables are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Wages, salaries and rewards payable	\$ 117,497	100,443
Payables for investment	101,288	107,987
Payables on service fees	25,472	16,992
Collections payable	23,561	-
Business tax payable	17,054	25,596
Payable on machinery and equipment	17,041	2,199
Others	80,659	52,206
	<b>\$ 382,572</b>	<b>305,423</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(XIII) Long-term borrowings

1. The details of the Group's long-term borrowings are as follows:

<b>2025.12.31</b>				
	<b>Currency</b>	<b>Interest rate range</b>	<b>Year of maturity</b>	<b>Amount</b>
Bank credit borrowings	NTD	3.165%	2028.1	\$ 83
Bank secured borrowings	NTD	2.53%~3.26%	2026.8~203 7.5	2,631,803
Other secured borrowings	NTD	3.7%~7.00%	2028.6	27,870
Less: Current portion due within one year				(422,349)
Total				<b>\$ 2,237,407</b>

<b>2024.12.31</b>				
	<b>Currency</b>	<b>Interest rate range</b>	<b>Year of maturity</b>	<b>Amount</b>
Bank secured borrowings	NTD	2.53%~3.675%	2026.8~203 6.2	\$ 1,237,146
Less: Current portion due within one year				(176,594)
Total				<b>\$ 1,060,552</b>

2. For details concerning related parties of the Group acting as joint guarantors and pledging assets as collateral for bank borrowings, please refer to Note 7 and 8.

(XIV) Lease liabilities

The carrying amounts of the Group's liabilities under leases are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Current	<b>\$ 104,891</b>	<b>76,914</b>
Non-current	<b>\$ 2,006,795</b>	<b>1,529,506</b>

1. For the maturity analysis, please refer to Note 6(23) Financial Instruments.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

2. The amounts recognized in profit or loss are as follows:

	<b>2025</b>	<b>2024</b>
Interest expense on lease liabilities	<u>\$ 37,851</u>	<u>25,734</u>
Rental expense for short-term leases	<u>\$ 21,003</u>	<u>13,535</u>
Variable leases payments excluded from the measurement of leases liabilities.	<u>\$ 15,281</u>	<u>11,454</u>

3. The amounts recognized in the statement of Cash Flow are as follows:

	<b>2025</b>	<b>2024</b>
Rental expenses for operating activities	\$ 40,863	25,779
Rental lease liability interests for operating activities	51,675	31,068
Principal repayments of lease liabilities under financing activities	<u>87,663</u>	<u>79,277</u>
Total cash outflows for leases	<u>\$ 180,201</u>	<u>136,124</u>

4. The Group leases land, buildings and transportation equipment for use as office premises, photovoltaic generation project sites and company vehicles. Leases typically have terms of 1 to 22 years.
5. Some contracts of the Group provides for variable payments under Leases. Such variable pricing is typically linked to the amount of electricity generation revenue. Variable payments under leases that are linked to electricity generation revenue are recognized as expenses in the period in which the payment condition is triggered.

(XV) Employee Benefits - Defined Contribution Plan

The Group's defined contribution plan is established pursuant to the Labor Pension Act. Contributions are made at a rate of 6% of employees' monthly wages and remitted to individual labor pension accounts maintained by the Bureau of Labor Insurance. Under this plan, once the Group has remitted the fixed contribution amount to the Bureau of Labor Insurance, it has no statutory or implied obligation to make additional payments. The Group's pension expenses under the defined contribution pension plan were NT\$20,208 thousand and NT\$16,407 thousand for 2025 and 2024 respectively. These amounts were recognized under operating costs and operating expenses.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(XVI) Income tax

1. Income tax expense

The details of the Group's income tax expense (benefit) are as follows:

	<b>2025</b>	<b>2024</b>
Current tax expense	\$ 154,891	24,293
Deferred tax benefit	(92,014)	(53,513)
Income tax expense (benefit)	<b>\$ 62,877</b>	<b>(29,220)</b>

2. The Group did not recognize any income tax expense directly in equity or other comprehensive income.

3. Reconciliation of income tax expense (benefit) to profit (loss) before tax is as follows:

	<b>2025</b>	<b>2024</b>
Profit (loss) before tax	<b>\$ (471,584)</b>	<b>1,083,307</b>
Income tax calculated at the applicable domestic tax rates of each entity	\$ (48,047)	207,264
Differences between estimated and assessed tax returns	(4,696)	(4,223)
Additional tax on unappropriated earnings	17,383	13,047
Non-deductible expenses	4,544	1,303
Tax-exempt gains (losses) on securities transactions	92,232	1,851
Share of profit of investments accounted for using the equity method	(44,127)	(272,551)
Alternative minimum tax	24,970	4,503
Changes in temporary differences	5,665	18,722
Others	14,953	864
Income tax expense (benefit)	<b>\$ 62,877</b>	<b>(29,220)</b>

4. Deferred tax assets and liabilities

(1) The Group has no unrecognized deferred tax liabilities. The amounts of items for which deferred tax assets have not been recognized are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Tax loss carryforwards	<b>\$ 14,488</b>	<b>14,453</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

Tax loss carryforwards may be offset against taxable income in the current year in accordance with the Income Tax Act, subject to assessment and approval by the tax authorities, for a period of up to ten years. These items have not been recognized as deferred tax assets because it is not probable that sufficient future taxable profits will be available for the temporary differences to be utilized.

(2) Movements in recognized deferred tax assets and liabilities are as follows:

**Deferred tax assets:**

	Tax loss carryforwards	Investment losses	Unrealized gross profit from sales	Unrealized foreign exchange losses	Others	Total
Balance as of January 1, 2025	\$ 49,504	50,389	140,238	-	8,485	248,616
Recognized in profit or loss	100,785	24,028	(6,836)	-	37,269	155,246
Disposal of subsidiaries	(115)	-	-	-	-	(115)
Balance as of December 31, 2025	<b>\$ 150,174</b>	<b>74,417</b>	<b>133,402</b>	<b>-</b>	<b>45,754</b>	<b>403,747</b>
Balance as of January 1, 2024	\$ 15,047	32,153	134,907	2,582	9,996	194,685
Recognized in profit or loss	33,134	18,236	5,331	(2,582)	(1,511)	52,608
Acquired through business combinations	1,323	-	-	-	-	1,323
Balance as of December 31, 2024	<b>\$ 49,504</b>	<b>50,389</b>	<b>140,238</b>	<b>-</b>	<b>8,485</b>	<b>248,616</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

**Deferred tax liabilities**

	<b>Gains from foreign investments</b>	<b>Amortization of valuation of intangible assets</b>	<b>Others</b>	<b>Total</b>
Balance as of January 1, 2025	\$ -	9,975	38	10,013
Recognized in profit or loss	40,112	(3,277)	26,397	63,232
Acquired through business combinations	-	20,579	-	20,579
Balance as of December 31, 2025	<b>\$ 40,112</b>	<b>27,277</b>	<b>26,435</b>	<b>93,824</b>
Balance as of January 1, 2024	\$ 1,651	-	-	1,651
Recognized in profit or loss	(905)	-	-	(905)
Acquired through business combinations	9,267	-	-	9,267
Balance as of December 31, 2024	<b>\$ 10,013</b>	<b>-</b>	<b>-</b>	<b>10,013</b>

5. The Company's income taxes filings have been assessed and finalized by the Tax Authority through 2023.

(XVII) Capital and Other Equity

1. Issuance of Ordinary Shares

As of December 31, 2025 and 2024, the Company's authorized share capital was NT\$2,000,000 thousand, with a par value of NT\$10 per share, comprising 200,000 thousand shares. The issued ordinary shares amounted to 137,830 thousand shares. All issued shares have been fully paid.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

Reconciliation of shares outstanding (thousand shares):

	<b>2025</b>	<b>2024</b>
Beginning balance	136,932	116,209
Cash capital increase (including shares reserved for employee subscription)	-	12,000
Shares issued upon conversion of bonds	-	9,621
Treasury shares repurchased	(3,438)	(898)
Ending balance	<b>\$ 133,494</b>	<b>136,932</b>

On April 23, 2024, the Company's Board of Directors resolved to issue 12,000 thousand ordinary shares with a par value of NT\$10 per share through a cash capital increase for the purpose of a public offering prior to listing. The total capital increase amounted to NT\$1,353,906 thousand, and June 17, 2024 was set as the record date for the capital increase. The registration has been duly completed.

2. Capital surplus

Details of the Company's capital surplus are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Share premium issuance	\$ 2,925,452	2,925,452
Changes in ownership interests in subsidiaries	277,650	122,224
Changes in investments accounted for using equity method	70	10,368
Share options	469	469
	<b>\$ 3,203,641</b>	<b>3,058,513</b>

In accordance with the Company Act, capital surplus shall first be used to offset accumulated deficits before it may be distributed, in proportion to shareholders' existing shareholdings, in the form of new shares or cash from realized capital surplus. The realized capital surplus referred to above includes share premiums arising from the issuance of shares at a price in excess of par value and amounts received from donations. In accordance with the Regulations Governing the Offering and Issuance of Securities by Issuers, the total amount of capital surplus to be capitalized each year shall not exceed 10% of the Company's paid-in capital.

## **J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

### **3. Retained earnings**

Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses. Then 10% of the remaining amount shall be set aside as legal reserve. After setting aside or reversing a special reserve in accordance with related laws, the appropriation of the remaining earnings, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and resolved by the shareholders as dividends and bonuses to shareholders.

The Company authorizes the Board of Directors, with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, to distribute dividends and bonuses, or to utilize capital reserve or legal reserve, in whole or in part, in cash. Such distribution is exempt from the requirement stipulated in the preceding paragraph that it be approved at a shareholders' meeting.

The Company's dividend distribution policy aligns with the current and future development plan by taking into consideration factors such as investment environment, capital requirements, domestic and international competition, along with the consideration of shareholders' interests. Each year, the total dividend must not be less than 10% of current distributable earnings. The dividends can be distributed in forms of cash or shares, among which the cash dividend must not be less than 10% of the appropriated dividend. However, when the Company has significant investment plans and cannot obtain other capital to support its plans, the Company can distribute no cash dividends as proposed by the Board of Directors and resolved by the shareholders.

### **4. Distribution of Earnings**

The Company's Board of Directors resolved on March 7, 2025 and March 5, 2024 to approve the cash dividend distributions for the years 2024 and 2023, respectively. Cash dividends of NT\$5 and NT\$5.31 per ordinary share were declared, amounting to NT\$681,650 thousand and NT\$709,497 thousand, respectively. Other appropriations of earnings were approved by the shareholders' meetings held on June 24, 2025 and June 27, 2024, respectively.

On March 12, 2026, the Board of Directors resolved to approve the cash dividend distribution for the year 2025, declaring a cash dividend of NT\$2 per ordinary share, amounting to NT\$266,700 thousand.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

5. Treasury shares

In 2025 and 2024, the Company repurchased 3,438 thousand and 898 thousand of its own shares, respectively, in accordance with Article 167-1 of the Company Act, for the purpose of transferring shares to employees. As of December 31, 2025 and 2024, the Company held 4,336 thousand and 898 thousand treasury shares, respectively, which had not yet been retired. In accordance with the Company Act, treasury shares held by the Company do not carry shareholders' rights prior to transfer.

(XVIII) Share-based Payment Transactions

The Group's share-based payment arrangements are as follows:

<u>Issuing entity</u>	<u>The Company</u>	<u>Recharge Power</u>	<u>Recharge Power</u>	<u>JV Asset Management</u>
Type	Cash capital increase reserved for employee subscription	Cash capital increase reserved for employee subscription	Cash capital increase reserved for employee subscription	Employee share option plan
Grant date	2024.6.4	2024.7.11	2024.10.16	2024.12.2
Number of shares granted (thousand shares)	1,069	600	100	3,750
Recipients	Employees of the Company	Employees of Recharge Power	Employees of Recharge Power	Employees of JV Asset Management
Vesting period	Immediately vested	Immediately vested	Immediately vested	Immediately vested
<u>Issuing entity</u>	<u>Greenet</u>	<u>Recharge Power</u>	<u>Recharge Power</u>	<u>Recharge Power</u>
Type	Employee share option plan	Transfer of treasury shares to employees	Employee share option plan	Employee share option plan
Grant date	2025.1.16	2025.2.6	2025.11.01	2025.12.01
Number of shares granted (thousand shares)	1,500	310	330	70
Recipients	Employees of Greenet and the Company	Employees of Recharge Power	Employees of Recharge Power	Employees of Reens
Vesting period	Immediately vested	Immediately vested	7 days	7 days

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

1. Measurement parameters of grant-date fair value

The Group adopted the Black-Scholes option-pricing model to estimate the fair value of the share-based payment on the grant date. The inputs to the model are as follows:

	<b>The Company - Cash capital increase reserved for employee subscription</b>	<b>Recharge Power - Cash capital increase reserved for employee subscription</b>	<b>Recharge Power - Cash capital increase reserved for employee subscription</b>	<b>JV Asset Management - Employee share option plan</b>
Fair value of share options at grant date	13.0531	1.6214	0.8031	9.32
Share price at grant date	123.5	21.25	20.36	13.91
Exercise price	111	20	20	10
Expected volatility (%)	49.61	45.95	53.00	41.51
Expected life of options (years)	0.03	0.05	0.02	0.07
Expected dividends	-	-	-	-
Risk-free interest rate (%)	1.22	1.22	1.22	1.23
	<b>Greenet - Employee share option plan</b>	<b>Recharge Power - Transfer of treasury shares to employees</b>	<b>Recharge Power - Employee share option plan</b>	<b>Recharge Power - Employee share option plan</b>
Fair value of share options at grant date	0.8	5.3536	9.8995	17.3709
Share price at grant date	39.3	20.28	80.51	88.60
Exercise price	40	14.93	72.00	72.00
Expected volatility (%)	53.84	39.79	38.43	45.20
Expected life of options (years)	0.019	0.02	0.13	0.13
Expected dividends	-	-	-	-
Risk-free interest rate (%)	1.32	1.22	1.13	1.22

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

2. Information on employee share option plans

	<b>2025</b>	
	<b>Weighted- average exercise price (NT\$)</b>	<b>Number of share options (thousand shares)</b>
Outstanding as of January 1	\$ -	-
Granted during the period	40~72	1,900
Exercised during the period	40~72	(1,828)
Forfeited during the period	-	(12)
Outstanding as of December 31	72.00	<u><u>60</u></u>
Exercisable as of December 31	72.00	<u><u>60</u></u>

3. Share-based payment expenses recognized by the Group amounted to NT\$7,343 thousand and NT\$15,608 thousand for 2025 and 2024, respectively.

(XIX) Earnings per share

The calculation of the Group's basic earnings per share and diluted earnings per share is as follows:

1. Basic earnings per share

	<b>2025</b>	<b>2024</b>
Net profit (loss) attributable to the Company	<u><u>\$ (570,450)</u></u>	<u><u>1,132,985</u></u>
Weighted-average number of ordinary shares outstanding (thousand shares)	<u><u>135,979</u></u>	<u><u>127,459</u></u>
Basic earnings per share (NT\$)	<u><u>\$ (4.20)</u></u>	<u><u>8.89</u></u>
	<b>2025</b>	<b>2024</b>
Number of shares outstanding at the beginning of the period (thousand shares)	136,932	116,209
Effect of issuance of new shares from cash capital increase	-	6,492
Effect of conversion of convertible bonds	-	4,787
Effect of treasury shares	(953)	(29)
Weighted-average number of ordinary shares outstanding at the end of the period (thousand shares)	<u><u>135,979</u></u>	<u><u>127,459</u></u>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

2. Diluted earnings per share

	<b>2025</b>	<b>2024</b>
Net profit (loss) attributable to the Company	<u>\$ (570,450)</u>	<u>1,143,693</u>
Weighted-average number of ordinary shares outstanding (diluted/thousand shares):	<u>135,979</u>	<u>132,357</u>
Diluted earnings per share (NT\$)	<u>\$ (4.20)</u>	<u>8.64</u>
	<b>2025</b>	<b>2024</b>
Net profit (loss) attributable to the Company (basic)	\$ (570,450)	1,132,985
After-tax effect of interest on convertible bonds	-	10,708
Net profit (loss) attributable to the Company (diluted)	<u>\$ (570,450)</u>	<u>1,143,693</u>
	<b>2025</b>	<b>2024</b>
Weighted-average number of ordinary shares outstanding at the end of the period (basic/thousand shares)	135,979	127,459
Effect of employees' compensation	(Note)	64
Effect of convertible bonds	-	4,834
Weighted-average number of ordinary shares outstanding at the end of the period (diluted)	<u>135,979</u>	<u>132,357</u>

Note: The item is anti-dilutive and therefore has not been included in the calculation.

(XX) Revenue from contracts with customers

1. Disaggregation of revenue

	<b>2025</b>	<b>2024</b>
Major products:		
Construction revenue	\$ 3,970,693	2,056,262
Revenue from power generation	2,380,057	1,105,438
Service revenue	824,825	499,348
Sales revenue	293,443	132,249
	<u>\$ 7,469,018</u>	<u>3,793,297</u>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

2. Contract balances		<b>2025.12.31</b>	<b>2024.12.31</b>	<b>2024.1.1</b>
Notes and accounts receivable	\$	1,014,002	642,784	359,770
Less: Allowance for uncollectible accounts		(14,611)	(1,662)	(52,864)
Total	<b>\$</b>	<b>999,391</b>	<b>641,122</b>	<b>306,906</b>
Contract assets - construction	<b>\$</b>	<b>1,252,289</b>	<b>469,242</b>	<b>521,648</b>
Contract liabilities - construction	<b>\$</b>	<b>450,846</b>	<b>360,143</b>	<b>275,962</b>

For disclosures on notes and accounts receivable and their impairment, please refer to Note 6(4).

The Company's beginning balance of contract liabilities as of January 1, 2025 and 2024 that were recognized as revenue in 2025 and 2024 were NT\$253,480 thousand and NT\$181,720 thousand, respectively.

Contract assets primarily arise when construction revenue has been recognized but the billing requirements have not yet been satisfied as of the reporting date. When the Group has an unconditional right to the consideration, such amounts are reclassified to accounts receivable. Contract liabilities primarily arise from advance payments received under construction contracts; the Group reclassifies these amounts as revenue over the period in which the construction is performed. Changes in contract assets and contract liabilities are primarily attributable to timing differences between the point at which the Company satisfies its performance obligations and the point at which customers make payments, and there are no other material changes.

3. Transaction price allocated to unsatisfied performance obligations

As of December 31, 2025 and 2024, the total transaction prices of the Group's construction projects allocated to unsatisfied performance obligations amounted to NT\$3,348,863 thousand and NT\$6,064,842 thousand, respectively. Revenue will be recognized gradually as the projects are completed, and these projects are expected to be completed within the next one to five years.

The above total transaction prices will be recognized as revenue progressively as the projects are completed.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(XXI) Employees' and Directors' remuneration

On June 24, 2025, the Company's shareholders approved amendments to the Articles of Incorporation. Under the amended Articles, if the Company earns a profit in a fiscal year, no less than 1% shall be appropriated as employee remuneration, to be distributed in cash or shares as resolved by the Board of Directors. The recipients include employees of the subsidiaries who meet certain criteria. Of the above employee remuneration, at least 15% shall be allocated to rank-and-file employees. The Company may, from the above profit, allocate up to 3% as directors' remuneration as resolved by the Board of Directors. The appropriation of employee and directors' remuneration shall be reported to the shareholders' meeting. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be retained in advance. Prior to the amendment, the Articles stipulated that if the Company earns a profit in a fiscal year, no less than 1% shall be appropriated as employee remuneration, to be distributed in cash or shares as resolved by the Board of Directors, with recipients including eligible employees of the subsidiaries; the Company may, from the above profit, allocate up to 3% as directors' remuneration as resolved by the Board of Directors.

The Company's estimated employees' and Directors' remuneration is as follows:

	<b>2025</b>	<b>2024</b>
Employees' remuneration	\$ -	11,414
Directors' remuneration	-	6,849
	<b>\$ -</b>	<b>18,263</b>

Employees' and Directors' remuneration are estimated based on a percentage specified in the Company's Articles of Incorporation, applied to profit (loss) before tax before deducting employees' and directors' remuneration for each respective period. Such amounts are recognized as operating costs and operating expenses in each period. If there are any changes after the date the financial statements are authorized for issuance in the following year, such changes shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year.

The estimated amounts of employee and Directors' remuneration for the Company in 2024 and 2023 did not differ from the actual distributions. Related information can be accessed on the MOPS.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(XXII) Non-operating income and expenses

1. Other Income

	<b>2025</b>	<b>2024</b>
Dividend Income	\$ 11,703	7,400
Rental income	2,590	3,286
Others	17,800	6,480
	<b>\$ 32,093</b>	<b>17,166</b>

2. Other gains and losses

	<b>2025</b>	<b>2024</b>
Gains (losses) on financial assets at fair value through profit or loss	\$ (470,623)	1,290,360
Net foreign exchange gains	15,662	9,601
Impairment loss	(40,318)	-
Gain (loss) on disposal of property, plant, and equipment	2,066	(141)
Gain arising from lease settlement	5,195	713
Others	(2,198)	(2,993)
	<b>\$ (490,216)</b>	<b>1,297,540</b>

3. Financial costs

	<b>2025</b>	<b>2024</b>
Interest expense on bank borrowings	\$ 123,771	85,960
Interest expense on lease liabilities	37,851	25,734
Others	5,397	310
	<b>\$ 167,019</b>	<b>112,004</b>

(XXIII) Financial instruments

1. Credit risk

The carrying amounts of financial assets and contract assets represent the Group's maximum exposure to credit risk.

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations. The Group's primary exposure to credit risk arises from the risk that counterparties fail to perform their obligations when due.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

(1) Accounts receivable and other receivables

In accordance with its credit policy, the Group performs individual credit evaluations of each customer prior to entering into contracts. The assessment includes customers' financial information and, in certain cases, bank inquiries. Customers that do not meet the Group's minimum credit rating requirements are required to transact with the Group on a prepayment basis. To mitigate credit risk, the Group continuously monitors changes in customers' financial conditions and the collectability of receivables. During the reporting period, the Group did not incur any significant losses arising from credit risk.

(2) Investments

Credit risk arising from bank deposits and other financial instruments is measured and monitored by the Group's finance department. As the Group's counterparties are reputable financial institutions with sound credit standing, there is no significant concern regarding their ability to perform, and accordingly, no significant credit risk is considered to exist.

2. Liquidity risk

The table below presents the contractual maturities of financial liabilities, including the effects of estimated interest:

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-5 years</u>	<u>More than 5 years</u>
<b>December 31, 2025</b>					
Non-derivative financial liabilities					
Short-term borrowings	\$ 2,668,059	2,690,383	2,690,383	-	-
Notes and accounts payable	1,407,551	1,407,551	1,407,551	-	-
Other payables	382,572	382,572	382,572	-	-
Lease liabilities	2,111,686	2,657,305	158,129	587,920	1,911,256
Guarantee deposits received	44,711	44,711	-	-	44,711
Long-term borrowings	2,659,756	2,912,806	492,991	1,855,527	564,288
	<u>\$ 9,274,335</u>	<u>10,095,328</u>	<u>5,131,626</u>	<u>2,443,447</u>	<u>2,520,255</u>
<b>December 31, 2024</b>					
Non-derivative financial liabilities					
Short-term borrowings	\$ 2,589,978	2,641,778	2,641,778	-	-
Notes and accounts payable	719,299	719,299	719,299	-	-
Other payables	305,423	305,423	305,423	-	-
Lease liabilities	1,606,420	2,069,717	120,957	486,356	1,462,404
Guarantee deposits received	29,389	29,389	-	-	29,389
Long-term borrowings	1,237,146	1,359,655	208,852	668,370	482,433
	<u>\$ 6,487,655</u>	<u>7,125,261</u>	<u>3,996,309</u>	<u>1,154,726</u>	<u>1,974,226</u>

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

The Group does not expect the timing of cash flows presented in the maturity analysis to occur significantly earlier, nor the actual amounts to differ materially.

### 3. Foreign exchange risk

#### (1) Exposure to Foreign Exchange Risk

The Group's financial assets and liabilities exposed to significant foreign exchange risk are as follows:

	2025.12.31			2024.12.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>						
Monetary items						
USD:NTD	\$ 1,998	31.43	62,797	2,083	32.77	68,260
USD:VND	290	26,749	9,115	290	25,502	9,503
JPY:NTD	3,510	0.2008	705	-	-	-
<u>Financial liabilities</u>						
Monetary items						
USD:NTD	9,536	31.43	299,716	8,367	32.77	274,187
EUR:NTD	225	36.90	8,303	440	34.08	14,995

The Group's foreign exchange risk primarily arises from cash and cash equivalents, accounts receivable, other receivables, accounts payable, other payables, and provisions denominated in foreign currencies, which give rise to foreign exchange gains or losses upon translation. As of December 31, 2025 and 2024, if the New Taiwan Dollar and Vietnamese Dong had depreciated or appreciated by 1% against the US Dollar, Japanese yen and Euro, with all other factors remaining constant, the Group's pre-tax net profit for 2025 and 2024 would have decreased or increased by NT\$2,354 thousand and NT\$2,114 thousand, respectively. The analyses for both periods are based on the same assumptions.

#### (2) Foreign Exchange Gains and Losses

Due to the Group's use of multiple functional currencies, foreign exchange gains and losses on monetary items are disclosed on an aggregated basis. Foreign exchange gains and losses (including realized and unrealized) for 2025 and 2024 amounted to NT\$15,662 thousand and NT\$9,601 thousand, respectively.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

### 4. Interest Rate Analysis

The following sensitivity analysis is based on the interest rate risk of non-derivative instruments as of the reporting date. The analysis assumes that the carrying amounts of assets and liabilities outstanding at the reporting date remain outstanding for the entire year.

Based on the results of the simulation, if interest rates were to increase or decrease by 0.25%, with all other variables held constant, the Group's pre-tax net profit for 2025 and 2024 would decrease or increase by NT\$7,153 thousand and NT\$3,007 thousand, respectively. The Group's interest rate risk primarily arises from short-term and long-term borrowings and bank demand deposits with variable interest rates.

### 5. Other Price Risk

As of the reporting date, if there were changes in equity securities (with both periods analyzed on the same foundation and assuming no changes in other variables), the impact on the comprehensive income items would be as follows:

	<b>2025</b>	<b>2024</b>
<u>Securities prices as of the reporting date</u>	<u>Profit (loss)</u>	<u>Profit (loss)</u>
	<u>before tax</u>	<u>before tax</u>
Increased by 1%	<u>\$ 13,715</u>	<u>21,323</u>
Decreased by 1%	<u>\$ (13,715)</u>	<u>(21,323)</u>

### 6. Fair value information

#### (1) Financial Instruments by Category and Fair Value

The carrying amounts and fair values of the Group's financial assets and financial liabilities (including fair value hierarchy information, but excluding those financial instruments for which the carrying amount is a reasonable approximation of fair value and lease liabilities for which fair value disclosure is not required) are presented as follows:

	<b>2025.12.31</b>				
	<u>Carrying amount</u>	<u>Fair value</u>			
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Financial assets at fair value through profit or loss</b>	<u>\$ 1,371,503</u>	<u>1,133,130</u>	<u>-</u>	<u>238,373</u>	<u>1,371,503</u>



**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(2) Valuation Techniques for the Fair Value Measurement of Financial Instruments

When financial instruments have publicly quoted prices in an active market, the publicly quoted prices in that active market shall be used as their fair values. The market prices published by major exchanges constitute the foundation for the fair value of equity instruments.

If timely and regular public quotations for financial instruments can be obtained from exchanges, brokers, underwriters, trade associations, pricing service providers, or competent authorities, and those prices represent actual, frequently occurring fair-market transactions, then the financial instruments have active market public quotations. If the foregoing conditions are not satisfied, the market is deemed inactive. Generally, a large bid-ask spread, a marked widening of the bid-ask spread, or very low trading volume each serve as an Indicator of an inactive market.

For financial instruments held by the Company that have an active market, their fair values are presented below by category and attribute.

- A. Shares of listed companies are financial assets traded in active markets; their fair value is determined by reference to market quotations.
- B. If the shares of an emerging stock board company are classified as financial assets traded in an active market, their fair value is determined with reference to market quotations.

For financial instruments held by the Group that have no active market, their fair values are presented below by category and attribute.

- A. Investments in equity instruments without an active market: Fair value is estimated using a comparable Company Act, the net asset value method, or a discounted cash flow model. The principal assumption of the comparable Company Act is that valuation is measured based on the investee's net asset value or revenue and price-to-book or revenue multiples implied by market quotations of comparable companies. The net asset value method uses the investee company's net assets as the fair value measurement foundation. The principal assumption of the discounted cash flow model is that the investee's expected future cash flows are measured by discounting them at a rate that reflects the time value of money and investment risk. The above estimates have been

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

adjusted for discounts reflecting the lack of marketability of the equity securities.

- B. Repurchase right of convertible bonds: The derivative financial instruments held by the Group are measured using valuation models widely accepted by market participants, such as discounted cash flow methods and option-pricing models.
- (3) The Group had no transfers of Level 1 or Level 2 financial instruments in 2025 and 2024.
- (4) Detailed statement of changes for level 3

	<b>2025</b>	<b>2024</b>
	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at fair value through profit or loss</b>
Beginning balance	\$ 413,798	714,359
Recognized in profit or loss	(101,169)	(11,235)
Acquisition/Disposal	(14,256)	89,356
Transfer out	(60,000)	(378,682)
Ending balance	<b>\$ 238,373</b>	<b>413,798</b>

- (5) Quantitative information on the fair value measurement of significant unobservable inputs (Level 3)

The Group's fair value measurement classified as Level 3 primarily comprises equity securities investments that are financial assets measured at fair value through profit or loss.

The quantitative information for significant unobservable inputs is as follows:

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable input</b>	<b>Relationship between significant unobservable input and fair value</b>
Financial assets at fair value through profit or loss - unlisted stocks	Market approach	<ul style="list-style-type: none"> <li>• Discount for lack of marketability (As of December 31, 2025: 0% to 20%; as of December 31, 2024: 15% to 20%)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the discount for lack of marketability, the lower the fair value</li> </ul>
Financial assets at fair value through profit or loss - unlisted stocks	Discounted cash flow	<ul style="list-style-type: none"> <li>• Discount for lack of marketability (As of December 31, 2025: 30%; as of December 31, 2024: 25% to 30%)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the discount for lack of marketability, the lower the fair value</li> </ul>
Financial assets at fair value through profit or loss - unlisted stocks	Net asset value method	<ul style="list-style-type: none"> <li>• Discount for lack of marketability (As of December 31, 2025 and December 31, 2024: 10%)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the discount for lack of marketability, the lower the fair value</li> </ul>

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

- (6) Sensitivity analysis of Level 3 fair value measurement to reasonably possible alternative assumptions

The Group's fair value measurements of financial instruments are considered reasonable; however, using different valuation models or assumptions could result in different measurement outcomes. For financial instruments classified as Level 3, changes in valuation inputs would have the following impact on profit or loss and other comprehensive income for the period:

December 31, 2025	Input value	Changes in fair value are recognized in profit or loss for the current period	
		Increase by 1%	Decrease by 1%
Financial assets at fair value through profit or loss			
Equity instrument investments without an active market	Liquidity discount	(2,993)	2,993
<b>December 31, 2024</b>			
Financial assets at fair value through profit or loss			
Equity instrument investments without an active market	Liquidity discount	(3,914)	3,914

### (XXIV) Financial Risk Management

#### 1. Overview

The Group is exposed to the following risks arising from the use of financial instruments:

- (1) Credit risk
- (2) Liquidity risk
- (3) Market risk

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and procedures for measuring and managing risk. Further quantitative disclosures are included in the respective notes to these consolidated financial statements.

#### 2. Risk Management Framework

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to such limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's operations. Through training, management guidelines, and operating procedures, the Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal auditors assist the Board of Directors in fulfilling its oversight responsibilities by conducting regular and ad hoc reviews of risk management controls and procedures, and reporting the results of such reviews to the Board of Directors.

### (XXV) Capital management

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern, to maintain an optimal capital structure in order to reduce the cost of capital, and to provide returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new ordinary shares, or dispose of assets to reduce liabilities. The debt ratio as of December 31, 2025 and 2024 was 65% and 51%, respectively. The Group's approach to capital management has not changed at each reporting date.

### (XXVI) Changes in liabilities from financing activities

The reconciliation of liabilities from financing activities is as follows:

	<b>2025.1.1</b>	<b>Cash flows</b>	<b>Changes in non-cash items</b>	<b>2025.12.31</b>
Short-term borrowings	\$ 2,589,978	1,348,081	(1,270,000)	2,668,059
Long-term borrowings	1,237,146	(97,794)	1,520,404	2,659,756
Lease liabilities	1,606,420	(87,633)	592,899	2,111,686
Other payables - related parties	-	10,297	-	10,297
Guarantee deposits received	29,389	15,322	-	44,711
Liabilities from financing activities	<b>\$ 5,462,933</b>	<b>1,188,273</b>	<b>843,303</b>	<b>7,494,509</b>

	<b>2024.1.1</b>	<b>Cash flows</b>	<b>Changes in non-cash items</b>	<b>2024.12.31</b>
Short-term borrowings	\$ 473,337	2,116,641	-	2,589,978
Long-term borrowings	1,073,025	163,424	697	1,237,146
Lease liabilities	561,796	(79,277)	1,123,901	1,606,420
Bonds payable	797,443	(400)	(797,043)	-
Liabilities from financing activities	<b>\$ 2,905,601</b>	<b>2,200,388</b>	<b>327,555</b>	<b>5,433,544</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

**VII. Related party transactions**

(I) Names of related parties and relationship

The related parties that had transactions with the Group during the periods covered by these consolidated financial statements are as follows:

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Fu Bao Yi Hao Energy Co., Ltd. (Fu Bao Yi Hao)	Associates
Enfinite Capital Taiwan Solar I Co. Ltd. (Enfinite Capital)	Associates
Fu Bao Le Hao Energy Co., Ltd. (Fu Bao Le Hao)	Associates (Note 1)
Xiang Guang Energy Co., Ltd. (Xiang Guang Energy)	Associates (Note 1)
Revo Power Co., Ltd. (Revo)	Associates
Winball Sport Culture and Education Co., Ltd. (Winball)	Associates
Xuwang Green Energy Co., Ltd. (Xuwang)	Associates
Ririwang Renewable Energy Co., Ltd. (Ririwang)	Associates
Greenhealth Water Resources Co., Ltd. (Greenhealth)	Associates
SolarNRG Philippines INC. (Solar NRG)	Associates
GasolineAI Co., Ltd. (GasolineAI)	Associates
Quan Sing Co., Ltd. (Quan Sing)	Associates
LBP Energy Corp. (LBP Energy)	Associates
Guan Qing Energy Technology Co., Ltd. (Guan Qing Energy)	Associates
Kweng Cheng International Inc. (Kweng Cheng International)	Other related party
Yong Jing Construction Co., Ltd. (Yong Jing)	Other related party (Note 2)
Bao Yuan Investment Co., Ltd. (Bao Yuan Investment)	Other related party
Bao Lin Investment Co., Ltd. (Bao Lin)	Other related party
Qi Yi Venture Investment Co., Ltd. (Qi Yi)	Other related party
CountryEDU Charity Foundation (CountryEDU)	Other related party
Muzhao Sanyuan International Co., Ltd. (Muzhao Sanyuan)	Other related party
Yu Guang Energy Co., Ltd. (Yu Guang)	Other related party
Cheng Yuan Investment Co., Ltd. (Cheng Yuan Investment)	Other related party
Yang Tzu Lou (originally named Yang Yu-Mei)	Other related party
Chang Jia Hao	Other related party
Lan Wei Wen	Other related party
Chen Chun Chieh	Other related party
Collins Co., Ltd. (Collins)	Key management personnel

Note 1: Fu Bao Le Hao and Xiang Guang Energy were formerly subsidiaries and sub-subsidiaries of the Group. However, the Group lost control when it did not

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

participate in Fu Bao Le Hao's cash capital increase in February 2025 according to its original ownership percentage. From that date, Fu Bao Le Hao and Xiang Guang became associates of the Group, and the amounts disclosed below reflect transactions from that date onward.

Note 2: Yong Jing was originally controlled by the principal management personnel of the Group. In July 2025, it lost that control as a result of an equity sale and is no longer a related party. Accordingly, the amounts disclosed for the transactions below are presented as of that date.

(II) Significant related party transactions

1. Operating revenue

	<b>2025</b>	<b>2024</b>
Service revenue:		
Associates	\$ 103,791	66,803
Other related party	6,635	4,717
Key management personnel	69	57
	<b>\$ 110,495</b>	<b>71,577</b>
	<b>2025</b>	<b>2024</b>
Construction revenue:		
Associates		
Enfinite Capital	\$ 279,510	403,463
Others	16,022	22,376
Other related party	1,000	-
Key management personnel	-	327
	<b>\$ 296,532</b>	<b>426,166</b>
	<b>2025</b>	<b>2024</b>
Sales revenue:		
Other related party	<b>\$ 4,751</b>	-

(1) The Group entered into a labor services contract with related parties, commissioning the Company to provide business development and comprehensive logistical support resources. Contract pricing and payment terms were determined through mutual agreement and are comparable to prevailing market rates.

(2) The payments for construction contracted to the Group by related parties were determined according to the construction budget plus reasonable profit,

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

and the Group collected the payments according to the contract's terms. Furthermore, the transaction price and terms were equivalent to general customers or market price.

2. Operating costs	<b>2025</b>	<b>2024</b>
Associates		
Enfinite Capital	\$ 778,915	627,985
Others	7,003	-
Other related party	296	-
	<b>\$ 786,214</b>	<b>627,985</b>

The primary operating costs of the Group is the procurement of electricity from associates. The price of electricity is determined by contract and does not significantly differ in terms of payment compared to unrelated parties.

3. Operating expenses - donation	<b>2025</b>	<b>2024</b>
Associates	\$ 5,500	4,000
Other related party	5,000	5,000
	<b>\$ 10,500</b>	<b>9,000</b>

4. Receivables from related parties	<b>2025.12.31</b>	<b>2024.12.31</b>
Accounts receivable:		
Associates		
Enfinite	\$ 153,004	11,216
Others	623	47,024
Other related party	232	376
Key management personnel	34	34
	153,893	58,650
Less: Allowance for uncollectible accounts	(70)	(22)
	<b>\$ 153,823</b>	<b>58,628</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

5.	Contract assets		
		<u>2025.12.31</u>	<u>2024.12.31</u>
	Associates	\$ 126,191	26,501
	Other related party	16	3,246
		<u>\$ 126,207</u>	<u>29,747</u>

The above represents payments for construction contracted to the Group by the related party and was recognized based on the proportion of cost incurred for construction over time, and it had not been the contracted billing timing.

6.	Contract liabilities		
		<u>2025.12.31</u>	<u>2024.12.31</u>
	Associates		
	Enfinite Capital	\$ 68,400	73,520
	Others	2,279	-
		<u>\$ 70,679</u>	<u>73,520</u>

The above pertains to payments for construction contracted to the Group by related parties and payments arising from administrative and support services provided to related parties, which were recognized based on the proportion of costs incurred for construction and services provided over time, and the Group has not fulfilled its performance obligations.

7.	Payables to related parties		
		<u>2025.12.31</u>	<u>2024.12.31</u>
	Accounts payable:		
	Associates	\$ 145,673	136,880
	Other related party	-	637
		<u>\$ 145,673</u>	<u>137,517</u>

The payment for the aforementioned transaction is due 60 days after the date purchase of electricity, with no interest attached to the payable amount.

8. Capital collected in advance  
The Group's advance receipts of share payments from related parties are as follows, presented under "Other Current Liabilities":

		<u>2025.12.31</u>	<u>2024.12.31</u>
	Chen Chun Chieh	\$ -	37,500

9.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

10. Borrowings from Related Parties

The Group's borrowings from related parties and the year-end balances are as follows. The year-end balances are recorded under "Other Payables."

	<b>2025.12.31</b>	<b>2024.12.31</b>
Associates	<b>\$ 10,297</b>	-

	<b>Interest expense</b>		<b>Interest payable</b>	
	<b>2025</b>	<b>2024</b>	<b>2025.12.31</b>	<b>2024.12.31</b>
Associates	<b>\$ 147</b>	-	<b>115</b>	-

11. Loans to Related Parties

The actual drawdown of funds lent by the Group to related parties is as follows (recognized under other receivables):

	<b>2025.12.31</b>	<b>2024.12.31</b>
Associates	<b>\$ 15,000</b>	-

	<b>Interest income</b>		<b>Interest receivable</b>	
	<b>2025</b>	<b>2024</b>	<b>2025.12.31</b>	<b>2024.12.31</b>
Associates	<b>\$ 112</b>	-	<b>112</b>	-

12. Property transactions

(1) The Group sold equipment to related party Xiang Guang Energy in Q2 2025. Disposal proceeds totaled NT\$18,856 thousand, and the gain on disposal amounted to NT\$2,209 thousand. As of December 31, 2025, the amounts had been fully collected.

(2) The Group sold non-current assets to its associate, Xiang Guang Energy, in the fourth quarter of 2025. The disposal proceeds amounted to NT\$33,651 thousand, resulting in a gain on disposal of NT\$8,183 thousand, which was recognized under other income. As of December 31, 2025, NT\$33,651 thousand remained outstanding and was recognized under other receivables.

(3) The following summarizes the Group's capital increases in the associates:

	<b>2025</b>	<b>2024</b>
Fu Bao Le Hao	\$ 19,000	-
Greenhealth	12,346	40,250
	<b>\$ 31,346</b>	<b>40,250</b>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

13. Endorsements and guarantees provided to related parties

	<b>2025.12.31</b>	<b>2024.12.31</b>
Other related party	<b>\$ 593,980</b>	<b>1,295,633</b>

(III) The remuneration of key management personnel is as follows:

	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 115,671	91,947
Post-employment benefits	3,226	2,461
	<b>\$ 118,897</b>	<b>94,408</b>

**VIII. Pledged Assets**

The book values of the assets provided by the Group as collateral through mortgage or pledge are detailed as follows:

<b>Asset names</b>	<b>Pledged as collateral</b>	<b>2025.12.31</b>	<b>2024.12.31</b>
Property, plant and equipment	Long- and short-term borrowings	\$ 4,306,405	4,149,208
Financial assets at fair value through profit or loss - non-current	Bank borrowings and credit facilities (Note)	96,362	192,101
Financial assets at amortized cost - current	Bank borrowings and credit facilities	225,066	215,283
Financial assets at amortized cost - non-current	Bank borrowings and credit facilities	91,136	87,547
		<b>\$ 4,718,969</b>	<b>4,644,139</b>

Note: As a result of the joint investment relationship, all contributing shareholders are required to provide endorsement guarantees in proportion to their shareholding ratios.

**IX. Significant Contingent Liabilities and Unrecognized Contract Commitments**

(I) Contingencies

As of December 31 2025 and 2024, the Group had issued performance guarantee notes related to construction contracts and electricity sales amounting to NT\$2,812,208 thousand and NT\$2,581,666 thousand, respectively.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

- (II) The Group has entered into a twenty-year maintenance and service contract for its photovoltaic systems with suppliers. Under the contract, the remaining site management and operation service fees payable until the contract's expiration are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Within a year	\$ 17,182	16,622
Later than one year but not later than five years	49,272	58,180
More than 5 years	91,831	112,436
	<b>\$ 158,285</b>	<b>187,238</b>

- (III) Capital expenditure contracted for at the balance sheet date but not yet incurred and unrecognized contractual commitments are as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Equipment procurement contract	<b>\$ 256,459</b>	<b>256,554</b>
Development service and construction contract	<b>\$ 3,097,158</b>	<b>5,464,720</b>

- (IV) The unused amount of letters of credit issued for construction contract procurement by the Group is as follows:

	<b>2025.12.31</b>	<b>2024.12.31</b>
Outstanding unused letters of credit	<b>\$ -</b>	<b>129,358</b>

- (V) As of December 31, 2025 and 2024, the Group had undertaken turnkey engineering, procurement and construction (EPC) projects for energy and environmental protection facilities for companies including Green Forever Ltd. and Enfinite Capital Taiwan Solar I Co. Ltd. For information on significant contracted projects for which performance obligations have not yet been satisfied, please refer to Note 6(20). Certain contracts entered into by both parties include terms such as completion deadlines and liquidated damages for breach of contract. As of December 31, 2025 and 2024, all projects undertaken by the Group were progressing as scheduled, and no losses had been incurred due to project delays.

The Company and Enfinite Capital Taiwan Solar I Co. Ltd. signed an operation management consulting service contract, and this contract specifies that if the required rate of return is not met during the operation management period, the Company will comply with the terms, rights and obligations of both parties of the contract such as decreasing part of consulting service charges. The period is 20 years from the completion of grid interconnection.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

- (VI) The Company and shareholders of certain investees accounted for using the equity method have signed an investment agreement whereby the investees' shareholders can ask the Company to acquire their equity interest if certain conditions occur. The Company has assessed that the probability of these conditions to occur is remote, and thus, there is no significant impact on the Company's financial position.
- (VII) The Group has entered into renewable energy power purchase and sale agreements with both power generation companies and electricity customers. Some of these agreements include provisions for minimum purchase and sale volumes, as well as default liabilities. As of December 31, 2025 and 2024, the Group has fulfilled all contractual obligations without any breaches.

**X. Significant Disaster Loss: None.**

**XI. Significant Events after the Balance Sheet Date: None.**

**XII. Others**

- (VIII) The summarized information by nature, including employee benefits, depreciation, depletion, and amortization expenses, is as follows:

	<b>2025</b>	<b>2024</b>
Employee benefit expense		
Wages and salaries	\$ 506,695	396,699
Labor and health insurance fees	42,883	34,205
Pension costs	20,208	16,407
Other personnel expenses	28,495	36,698
Depreciation	420,474	235,805
Amortization expenses	19,896	8,173
	<b>\$ 1,038,651</b>	<b>727,987</b>

- (IX) The Group's operations are not affected by seasonal or cyclical factors.

# J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

## XIII. Additional Disclosures

### (i) Information on Significant Transactions

For 2025, the Group is required under the Regulations to further disclose information regarding significant transactions as follows:

#### 1. Loans to Others:

Unit: NTS thousand

No.	Lending company	Counterparty	Account title	Whether a related party	Maximum balance for the period	Ending balance	Actual amount drawn during the period	Interest rate range	Nature of loan	Amount of business transactions	Reason for short-term financing	Loss allowance recognized	Collateral		Limit on loans to individual counterparties (Notes 1 and 2)	Aggregate limit on loans (Notes 1 and 2)
													Name of item	Value		
0	The Company	Jin Cheng Energy	Other receivables - related parties	Yes	80,000	30,000	-	3.244	Need for short-term financing	-	Operational requirements	-	None	-	1,454,220	2,423,700
"	"	Chen Yu Energy	"	"	50,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Fu Di Energy	"	"	50,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Zhu Ri Energy	"	"	100,000	50,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Guang Liang Energy	"	"	80,000	30,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Zhongneng Energy	"	"	100,000	50,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Skynergy	"	"	50,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Storm Power	"	"	150,000	50,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	J&M Power	"	"	20,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Yong Ze Energy	"	"	40,000	20,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Tian Chuang Energy	"	"	20,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Guang Hui Energy	"	"	40,000	20,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Jin Hong Energy	"	"	20,000	20,000	20,000	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	GSSG Solar Taiwan I	Other receivables - related parties	Yes	100,000	50,000	-	3.244	Need for short-term financing	-	Operational requirements	-	None	-	1,454,220	2,423,700
"	"	Diwei Power	"	"	10,000	10,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	JNV(PH)	"	"	149,423	141,435	-	5.250	"	-	"	-	None	-	1,454,220	2,423,700
"	"	SolarX(PH)	"	"	487,165	487,165	4,400	5.250	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Greenet	"	"	50,000	-	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	JV Asset Management	"	"	36,000	-	-	3.119	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Recharge Power	"	"	650,000	600,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Weisheng Envirotech	"	"	100,000	50,000	-	3.244	"	-	"	-	None	-	1,454,220	2,423,700
"	"	Nexus Materials	"	"	50,000	46,000	46,000	3.244	"	-	"	-	None	-	1,454,220	2,423,700
1	Jin Cheng Energy	Guang Liang Energy	"	"	16,000	-	-	3.119	"	-	"	-	None	-	92,981	154,968
"	"	Nexus Materials	"	"	46,000	-	-	3.119	"	-	"	-	None	-	92,981	154,968
"	"	SolarX(PH)	"	"	48,245	48,245	37,720	5.250	"	-	"	-	None	-	92,981	154,968
"	"	JNV(PH)	"	"	41,488	41,488	-	5.250	"	-	"	-	None	-	92,981	154,968
2	Recharge Power	Recharge Power	"	"	46,000	-	-	3.119	"	-	"	-	None	-	366,600	1,283,099
3	Xu Xiao Power	Nexus Materials	"	"	15,000	-	-	3.119	"	-	"	-	None	-	22,015	36,692
"	"	Guan Qing Energy	"	"	15,000	15,000	15,000	3.244	"	-	"	-	None	-	22,015	36,692
4	Skynergy	Storm Power	"	"	22,000	22,000	-	3.244	"	-	"	-	None	-	22,329	37,214
5	Chen Yu Energy	SolarX(PH)	"	"	33,473	33,473	-	5.250	"	-	"	-	None	-	50,096	83,493
6	Weway Power	Victory New Energies	"	"	1,175	1,175	-	7.500	"	-	"	-	None	-	8,844	14,740

Note 1: The total funds lent by the Company and its 100%-owned subsidiaries shall not exceed 50% of the net assets of the lending company. For companies with business transactions, the amount lent to each company shall not exceed 10% of both the business transaction amount between the parties and the net assets of the lending company. For companies requiring short-term financing, the amount lent to each company shall not exceed 30% of the lending company's net assets.

Note 2: The total funds lent by Recharge Power shall not exceed 140% of its net assets. For companies with business transactions, the amount lent to each company shall not exceed the higher of 30% of the most recent annual transaction amount between the parties or 120% of the transaction amount for the most recent three months, and shall also not exceed 30% of Recharge Power's net assets. For companies requiring short-term financing, the amount lent to each company shall not exceed 40% of the Company's net assets.

Note 3: The above transactions were eliminated in the preparation of the consolidated financial statements.

# J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

## 2. Provision of endorsements and guarantees to others:

Unit: NT\$ thousand

No.	Endorsement and guarantee recipients	Party being endorsed/guaranteed		Limit on endorsements/guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/guarantee amount for the period	Outstanding endorsement/guarantee amount	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/guarantees provided (Note 2)	Provision of endorsements/guarantees by parent company to subsidiary	Provision of endorsements/guarantees by subsidiary to parent company	Provision of endorsements/guarantees to the party in Mainland China
		Name of company	Relationship										
0	The Company	Zhu Ri Energy	Subsidiary	12,118,498	1,706,583	1,706,583	853,291	-	35.21%	19,389,596	Y	N	N
"	"	Yong Ze Energy	"	12,118,498	275,275	138,000	-	-	2.85%	19,389,596	Y	N	N
"	"	Guang Liang Energy	"	12,118,498	57,611	54,222	54,222	-	1.12%	19,389,596	Y	N	N
"	"	J&M Power	"	12,118,498	100,000	99,500	8,129	-	2.05%	19,389,596	Y	N	N
"	"	Storm Power	"	12,118,498	1,200,000	1,142,857	1,142,857	-	23.58%	19,389,596	Y	N	N
"	"	JNV(PH)	"	12,118,498	2,600	2,391	2,391	-	0.05%	19,389,596	Y	N	N
"	"	Jin Cheng Energy	"	12,118,498	718,292	663,307	533,860	-	13.68%	19,389,596	Y	N	N
"	"	Chen Yu Energy	"	12,118,498	321,505	297,890	252,969	-	6.15%	19,389,596	Y	N	N
"	"	Fu Di Energy	"	12,118,498	202,274	196,690	88,186	-	4.06%	19,389,596	Y	N	N
"	"	Xu Xiao Power	"	12,118,498	70,000	64,000	64,000	-	1.32%	19,389,596	Y	N	N
"	"	Jin Jie Energy	"	12,118,498	50,000	49,803	4,539	-	1.03%	19,389,596	Y	N	N
"	"	Lu Ching Energy	"	12,118,498	2,943	2,943	-	-	0.06%	19,389,596	Y	N	N
"	"	Greenwell Technology	"	12,118,498	20,245	20,245	-	-	0.42%	19,389,596	Y	N	N
"	"	HowSmart	"	12,118,498	46,000	46,000	38,840	-	0.95%	19,389,596	Y	N	N
"	"	Greenet	"	12,118,498	71,128	50,437	50,437	-	1.04%	19,389,596	Y	N	N
"	"	Recharge Power	"	12,118,498	600,000	400,000	-	-	8.25%	19,389,596	Y	N	N
"	"	Weisheng Envirotech	Subsidiary	12,118,498	951,920	275,059	43,059	-	5.67%	19,389,596	Y	N	N
"	"	Nexus Materials	"	12,118,498	145,000	134,714	122,714	-	2.78%	19,389,596	Y	N	N
"	"	Green Forever Ltd.	Note 1	12,118,498	180,000	180,000	180,000	-	3.71%	19,389,596	N	N	N
"	"	Taipei Digital Marine Ecology Entertainment Development Co., Ltd.	Note 1	12,118,498	10,000	10,000	10,000	-	0.21%	19,389,596	N	N	N
1	Recharge Power	Reens	Subsidiary	2,291,248	1,300,000	1,300,000	-	-	141.84%	3,665,997	N	N	N
2	Greenwell Technology	Lu Ching Energy	Subsidiary of the Company	230,066	25,741	24,958	24,958	-	27.12%	368,105	N	N	N

Note 1: Due to joint venture, all shareholders of the Company provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 2: The Company's aggregate amount of endorsements or guarantees provided to third parties shall not exceed 400% of the Company's net worth; the limit for endorsements or guarantees provided to an individual counterparty shall not exceed 250% of the Company's net worth; the aggregate amount of endorsements or guarantees provided to third parties by the Company and its subsidiaries collectively shall not exceed 400% of the Company's net worth; and the amount of endorsements or guarantees provided by the Company and its subsidiaries collectively to a single enterprise shall not exceed 250% of the Company's net worth.

## 3. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates, and joint ventures):

Securities held by	Marketable securities type and name	Relationship with the securities issuer	Account title	At period end				Highest during the period		Note
				Number of shares/units	Carrying amount	Shareholding ratio	Fair value	Number of shares/units	Shareholding ratio %	
The Company	Ordinary share of Dong Fang Offshore Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	6,746,000	1,045,630	3.85%	1,045,630	6,951,000	4.43%	
"	Ordinary share of Green Forever Ltd.	"	"	18,000,000	96,362	15.00%	96,362	18,000,000	15.00%	
"	Ordinary share of Julien's International Entertainment Group	"	"	2,500,000	87,500	5.34%	87,500	2,500,000	5.34%	

Note: The disclosure threshold for significant marketable securities held at the end of the period is defined as those with a carrying amount exceeding 5% of the total fair value through profit or loss financial assets.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

4. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more:

Unit: NT\$ thousand

Purchaser/seller	Transaction party	Relationship	Transaction status				Compared to third party transactions		Notes/accounts receivable (payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit period	Unit price	Credit period	Balance	Percentage of total notes/accounts receivable (payable)	
The Company	Enfinite Capital	Associates	(Sales)	(363,779)	(55.96)%	Note 1	Transactions conducted at prices agreed upon by both parties	No material differences	153,004	62.39%	
Greenet	"	"	Purchases	778,915	36.10%	"	"	"	(145,066)	44.11%	

Note 1: Payments and collections are made in accordance with the terms specified in each respective contract.

5. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more:

Unit: NT\$ thousand

Company for accounts receivable	Counterparty	Relationship	Receivables from related parties - balance	Turnover rate	Receivables from related parties - overdue		Receivables from related parties - amounts receivable after the period	Loss allowance recognized
					Amount	Processing method		
The Company	Enfinite Capital	Associates	153,004	4.43	-	-	-	-

6. Business relationships and significant transactions between the parent company and its subsidiaries: None.

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

(ii) Information on investees:

For 2025, information on the Group's equity investments is as follows (excluding investees in Mainland China):

Unit: NT\$ thousand/ thousand shares

Name of investor	Name of investee	Location	Main business activities	Initial investment amount		End-of-period holdings			Highest shareholding percentage during the period	Net profit (loss) of the investee for the period	Investment income (loss) recognized by the Group for the period	Note
				End of the current period	End of the prior period	Number of shares	Ownership	Carrying amount				
The Company	Jin Cheng Energy	Taiwan	Power generation services	300,000	300,000	30,000	100%	252,551	100%	6,175	6,219	Note 1
"	Chen Yu Energy	Taiwan	Power generation services	153,000	153,000	15,300	100%	159,387	100%	9,955	9,955	Note 1
"	Fu Di Energy	Taiwan	Power generation services	60,000	60,000	6,000	100%	55,250	100%	271	271	Note 1
"	Kuang Ting Energy	Taiwan	Power generation services	2,500	2,500	250	100%	6,362	100%	4,544	4,544	Note 1
"	JV Asset Management	Taiwan	Management Consultant	88,400	88,400	8,750	70%	85,921	100%	(1,074)	(781)	Note 1
"	Xu Xiao Power	Taiwan	Power generation services	75,770	75,770	7,000	100%	74,991	100%	1,751	1,627	Note 1
"	J&M Power	Taiwan	Power generation services	7,630	7,630	630	100%	5,270	100%	(65)	(65)	Note 1
"	Phanta Energy	Taiwan	Energy technology services	65,000	65,000	7,000	82%	2,921	82%	(5,058)	(3,870)	Note 1
"	Guang Liang Energy	Taiwan	Power generation services	32,000	16,000	3,200	100%	30,593	100%	274	274	Note 1
"	Zhu Ri Energy	Taiwan	Power generation services	70,000	33,000	7,000	100%	6,717	100%	(31,881)	(31,881)	Note 1
"	Greenet	Taiwan	Renewable energy electricity sales	268,333	315,000	11,500	77%	341,237	100%	59,686	48,171	Note 1
"	Recharge Power	Taiwan	Energy storage system auxiliary services	299,920	299,920	25,474	65%	535,843	68%	336,324	213,500	Note 1
"	Fu Bao Yi Hao	Taiwan	Energy technology services	260,000	260,000	27,032	21%	(46,530)	21%	2,096	433	Note 2
"	Chuang Jie Energy	Taiwan	Power generation services	1,000	1,000	100	100%	446	100%	(118)	(118)	Note 1
"	Weisheng Envirotech	Taiwan	Environmental protection engineering	211,499	211,499	21,150	59%	226,088	61%	(140,312)	(84,186)	Note 1
"	Rui Neng Energy	Taiwan	Power generation services	1,200	1,200	120	100%	669	100%	(117)	(117)	Note 1
"	Winball Sport	Taiwan	Management of occupational basketball team and sales of peripheral products	29,500	29,500	2,350	6%	-	6%	(110,302)	-	Note 2
"	Zhongneng Energy	Taiwan	Power generation services	20,000	20,000	2,000	100%	1,213	100%	(13,341)	(13,341)	Note 1
"	Skynergy	Taiwan	Energy technology services	85,000	85,000	8,500	100%	74,429	100%	1,828	1,828	Note 1
"	Storm Power	Taiwan	Energy storage system auxiliary services	1,679,982	1,679,982	168,000	100%	1,361,982	100%	(8,602)	(8,602)	Note 1
"	Jin Jie Energy	Taiwan	Power generation services	6,159	6,159	623	100%	5,281	100%	40	40	Note 1

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

Name of investor	Name of investee	Location	Main business activities	Initial investment amount		End-of-period holdings			Highest shareholding percentage during the period	Net profit (loss) of the investee for the period	Investment income (loss) recognized by the Group for the period	Note
				End of the current period	End of the prior period	Number of shares	Ownership	Carrying amount				
The Company	Jin Hong Energy	Taiwan	Power generation services	6,907	907	700	100%	14,377	100%	7,768	7,768	Note 1
"	Rui Guang Smart Energy Co., Ltd.	Taiwan	Power generation services	500	500	50	50%	467	50%	(21)	(11)	Note 2
"	Greenhealth	Taiwan	Environmental protection engineering	386,996	374,650	35,660	21%	406,883	21%	28,534	5,871	Note 2
"	Revo Power	Taiwan	Energy technology services	7,000	7,000	700	50%	(13,901)	50%	(14,488)	(7,244)	Note 2
"	Yong Ze Energy	Taiwan	Power generation services	24,164	17,164	3,000	100%	1,100	100%	(12,480)	(12,480)	Note 1
"	Guang Hui Energy	Taiwan	Power generation services	4,798	4,798	500	100%	4,581	100%	(98)	(98)	Note 1
"	Diwei Power	Taiwan	Power generation services	78,220	78,220	3,000	100%	72,758	100%	3,536	1,585	Note 1
"	Nexus Materials	Taiwan	Manufacturing of recycled plastic products	100,001	100,001	7,922	56%	11,338	56%	(83,264)	(46,406)	Note 1
"	Victory New Energies	Vietnam	Energy technology services	8,862	8,862	-	60%	3,937	60%	(5,467)	(3,280)	Note 1 and 3
"	JNV(PH)	Philippines	Power generation services	6,400	6,400	11,315	100%	3,336	100%	(1,586)	(1,586)	Note 1
"	Fu Bao Le Hao	Taiwan	Energy technology services	20,000	1,000	2,000	17%	19,447	100%	659	82	Note 2 and 4
"	GSSG Solar Taiwan 1	Taiwan	Power generation services	432,898	281,098	24,000	100%	432,838	100%	(137)	(137)	Note 1
"	Weway Power	Vietnam	Energy technology services	31,921	31,921	-	100%	29,480	100%	(168)	(168)	Note 1 and 3
"	SolarX(PH)	Philippines	Energy technology services	5,502	5,502	96	80%	3,457	80%	(1,693)	(1,354)	Note 1
"	Yao Heng Lin	Taiwan	Power generation services	93	93	10	100%	11	100%	(82)	(82)	Note 1
"	Yu Wei Power	Taiwan	Power generation services	93	93	10	100%	(4)	100%	(97)	(97)	Note 1
"	Pine Wind Power	Taiwan	Energy technology services	1,000	1,000	100	100%	861	100%	(133)	(133)	Note 1
"	HowSmart	Taiwan	Biotechnology services and waste management	27,000	-	2,700	90%	21,642	100%	(5,953)	(5,380)	Note 1
"	Guan Qing Energy	Taiwan	Power generation services and waste management	108,171	60,000	6,455	16%	74,108	16%	(54,008)	(5,075)	Note 2
"	GasolineAI	Taiwan	Energy technology services	4,000	-	1,000	4%	4,169	5%	(6,523)	(109)	Note 2
"	Quan Sing	Taiwan	Management Consultant	12,000	-	300	26%	13,448	26%	6,553	1,448	Note 2
"	Lu Ching Energy	Taiwan	Power generation services	14,575	-	1,160	100%	14,212	100%	971	190	Note 1
"	JV Holding (TH)	Thailand	General investment	60,352	-	6,400	100%	63,979	100%	(137)	(137)	Note 1
"	Greenwell Technology	Taiwan	Power generation services	151,023	-	4,800	100%	147,598	100%	13,214	3,077	Note 1
"	Tian Rui Energy	Taiwan	Power generation services	1,000	-	100	100%	992	100%	(8)	(8)	Note 1

## J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)

Name of investor	Name of investee	Location	Main business activities	Initial investment amount		End-of-period holdings			Highest shareholding percentage during the period	Net profit (loss) of the investee for the period	Investment income (loss) recognized by the Group for the period	Note
				End of the current period	End of the prior period	Number of shares	Ownership	Carrying amount				
The Company	Tian Chen Energy	Taiwan	Power generation services	1,000	-	100	100%	992	100%	(8)	(8)	Note 1
"	Neng Zhan Energy	Taiwan	Power generation services	1,000	-	100	100%	975	100%	(25)	(25)	Note 1
Fu Bao Le Hao	Xiang Guang Energy	Taiwan	Power generation services	463	463	100	100%	-	100%	1,023	(23)	Note 1
Skynergy	Tian Chuang Energy	Taiwan	Power generation services	11,000	11,000	1,100	100%	9,533	100%	4,089	4,089	Note 1
"	Yun An Energy	Taiwan	General investment	15,000	15,000	1,500	50%	12,211	50%	(2,153)	(1,492)	Note 2
Recharge Power	Recharge Power	Japan	Energy storage system auxiliary services	6,413	6,413	3,000	95%	3,577	95%	(2,276)	(2,162)	Note 1
"	Reens	Japan	Energy technology services	47,271	32,812	1	88%	79,722	88%	51,742	38,219	Note 1
"	Future Grid	Japan	Energy storage system auxiliary services	467,686	91,576	-	99%	606,283	99%	166,621	164,955	Note 1
JV Asset Management	Solar NRG	Philippines	Energy technology services	119,743	119,743	15,338	31%	118,209	31%	(2,324)	(713)	Note 2
SolarX(PH)	LBP Energy	Philippines	Energy technology services	2,801	-	450	45%	2,861	45%	-	-	Note 2
Weisheng Envirotech	Ze Rong Investment	Taiwan	General investment	154,100	-	15,410	100%	154,996	100%	9,345	5,251	Note 1
Ze Rong Investment	Z-TECH WATER	Taiwan	Environmental Engineering and Water Resource Treatment	178,770	-	2,318	77%	158,184	77%	50,757	9,549	Note 1
JV Holding (TH)	SolarX (TH)	Thailand	Power generation services	60,000	-	6,000	100%	59,879	100%	(120)	(120)	Note 1
"	JNV (TH)	Thailand	Power generation services	2,000	-	200	100%	1,986	100%	(14)	(14)	Note 1

Note 1: Subsidiaries and sub-subsidiaries of the Company. The relevant equity interests were written off when the consolidated financial statements were prepared.

Note 2: Affiliated companies of the Company.

Note 3: Limited liability companies.

Note 4: The Group lost control over FU BAO LE HAO and Xiang Guang Energy in February 2025. Accordingly, beginning on that date, they are no longer the Company's subsidiary or sub-subsidiary.

(iii) Information on investments in Mainland China: None.

### XIV. Department Information

#### (I) General information

1. Management of the Group has determined the reportable operating departments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.
2. The Group's Chief Operating Decision-Maker manages the business from each income type perspective.

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(II) Measurement of department information

The Group's Chief Operating Decision-Maker assesses the performance of the operating departments based on the operating income.

(III) Information by Products and Services

Revenue from external customers of the Group is as follows:

	<b>2025</b>			
	<b>Power</b>			
	<b>Engineering</b>	<b>generation</b>	<b>Others</b>	<b>Total</b>
Revenue	<u>\$ 3,970,693</u>	<u>2,380,057</u>	<u>1,118,268</u>	<u>7,469,018</u>
Reportable segment profit or loss	<u>\$ 611,492</u>	<u>205,939</u>	<u>14,281</u>	<u>831,712</u>

	<b>2024</b>			
	<b>Power</b>			
	<b>Engineering</b>	<b>generation</b>	<b>Others</b>	<b>Total</b>
Revenue	<u>\$ 2,056,262</u>	<u>1,105,438</u>	<u>631,597</u>	<u>3,793,297</u>
Reportable segment profit or loss	<u>\$ 316,998</u>	<u>130,885</u>	<u>23,168</u>	<u>471,051</u>

(IV) Regional Information

The Group's geographical information is as follows. Revenue is classified based on the geographical location of customers, while non-current assets are classified based on the geographical location of the assets.

<b>Region</b>	<b>2025</b>		<b>2024</b>	
	<b>Revenue</b>	<b>Non-current assets</b>	<b>Revenue</b>	<b>Non-current assets</b>
Taiwan	\$ 6,710,022	7,277,449	3,787,747	6,323,934
Japan	758,996	11,661	5,550	1,535
Others	-	45,231	-	583
	<u>\$ 7,469,018</u>	<u>7,334,341</u>	<u>3,793,297</u>	<u>6,326,052</u>

**J&V Energy Technology Co., Ltd. and Subsidiaries Notes to the Consolidated Financial Statements (Continued)**

(V) Information on Major Customers

Information on the Group's major customers for the years ended 2025 and 2024 is as follows:

	<b>2025</b>		<b>2024</b>	
	<b>Amount</b>	<b>Department</b>	<b>Amount</b>	<b>Department</b>
C	\$ 2,364,053	Engineering	328,409	Engineering
F	776,097	Electricity trading	115,497	Electricity trading
G	472,921	Engineering	313,994	Engineering
E	376,329	Engineering and Others	471,765	Engineering and Others
B	225,563	Engineering	515,643	Engineering