

**Nidec Chaun-Choung Technology Corporation
(Original: Chaun-Choung Technology Corporation)**

2025 Annual Shareholders Meeting Handbook

(Translation Version)

Date of meeting : June 20, 2025 (Friday), 9:00 a.m.

Place : No. 67, Section 1, GuangFu Road, Sanchong District, New Taipei City
(Jen Hour Restaurant, Conference Room)

Convening as an entity shareholders meeting

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I. Meeting Agenda

Nidec Chaun-Choung Technology Corporation (Original: Chaun-Choung Technology Corporation) 2025 Annual Shareholders Meeting Agenda

Date of meeting: June 20, 2025 (Friday), 9:00 a.m.

Place: No. 67, Section 1, GuangFu Road, Sanchong District, New Taipei City
(Jen Hour Restaurant, Conference Room)

Meeting Agenda:

I. Call the Meeting to Order (report on number of shareholders present).

II. Chairman's Address

III. Report Items

(I) The 2024 Business Report.

(II) The 2024 Audit Committee's Review Report.

(III) Report on 2024 Employees' profit sharing bonus and Directors' remuneration.

IV. Proposed Resolutions

(I) The 2024 Business Report and Financial Statements for Recognition.

(II) The 2024 Earnings Distribution for Recognition.

V. Matters for Discussion

(I) Amendment of "Memorandum and Articles of Association"

VI. Election Motions

(I) Election of directors.

VII. Other motions

(I) Release of the Company's Newly Elected Directors from Non-Competition Restrictions.

VIII. Extempore Motions

IX. Meeting Adjourned

I. Report Items

Item No. 1:

Agenda: The 2024 Business Report of the Company.

Description: The 2024 Business Report of the Company, please refer to Annex I (P.11-14).

Item No. 2:

Agenda: The 2024 Audit Committee's Review Report.

Description: (I) The 2024 Business Report, Consolidated Financial Statements, Standalone Financial Statements and the 2023 Earnings Distribution have been reviewed by Audit Committee with the issuance of the Review Report.

(II) The Audit Committee's Review Report, please refer to Annex II (P.15)

Item No. 3:

Agenda: Report on 2024 Employees' profit sharing bonus and Directors as well as Supervisors' compensation.

Description: (I) Implemented in accordance with Article 20 of the Articles of Incorporation.

(II) The 2024 Employees' profit sharing bonus and Directors as well as Supervisors' remuneration of the Company have been reviewed by the Remuneration Committee and passed by the Board on March 12, 2025. The amount of 2024 Employees' profit sharing bonus is NT\$5,529,156, the Directors and Supervisors' remuneration is NT\$3,000,000, both of them will be fully paid in cash.

II. Proposed Resolutions

Item No. 1:

(Proposed by the Board)

Agenda: The 2024 Business Report and Financial Statements of the Company for Recognition

Description: (I) The 2024 Business Report and Financial Statements of the Company have been passed by the Board. The Financial Statements have been audited by Hui-Chih Ko and Ji-Long Yu, certified public accountants from KPMG Taiwan, with the issuance of Independent Auditors' Report on record. These statements and Independent Auditors' report have been reviewed by audit committee with the issuance of Review Report.

(II) The information on 2024 Business Report, Independent Auditors' Report and Financial Statements, please Refer to Annex I (P.11-P.14), Annex III and Annex IV (P.16-P.30).

(III) For recognition.

Resolution:

Item No. 2:

(Proposed by the Board)

Agenda: The 2024 Earnings Distribution of the Company for Recognition.

Description: (I) The Proposal for the 2024 Earnings Distribution of the Company has been passed by the Board and reviewed by the Audit Committee. The 2024 Earnings Distribution Table, please Refer to Annex V (P.31).

(II) The Board shall be authorized to set the Ex-dividend day when this motion is passed by the annual Shareholders Meeting. Where new shares may be offered for raising capital or the Company may repurchase outstanding shares being issued, and other factors, that may affect the total quantity of outstanding shares and the dividend rate is also affected. The Company requests the Shareholders Meeting to authorize the Board to make adjustment to the dividend rate and related matters.

(III) For recognition.

Resolution:

III. Matters for Discussion

Item No. 1: (Proposed by the Board)

Agenda: Amendment of “Memorandum and Articles of Association”

Description: (I) In order to meet the company's operational needs and in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, it is proposed to amend “Memorandum and Articles of Association”. For a comparison of the amended articles, please refer to Annex VI (page P32~33).

(II) For resolution.

Resolution:

IV. Election Motions

Item No.1: (Proposed by the Board)

Agenda: Reelection of directors of board of the Company.

Description: (I) Terms of office of present directors and supervisors are expired on June 19th of 2025. Reelection of board members will be executed in this stockholders' meeting.

(II) Nomination and election for 15 directors of Board of the Company including 5 independent directors is conducted. New elected directors including independent directors will assume their post from the date of being elected. Their 3-year-terms in office will be from June 20th of 2025 to June 19th of 2028. Terms of office of present directors and supervisors are prolonged to the reelection of new director in the shareholders' meeting according to legal regulation.

(III) The list of candidates of the Director of Board of the Company is shown in below.

The Candidates of the Director					
Name	Educational and Professional Qualifications	Main Experiences	Current Post	Number of Company shares held	The Name of Legal Person represented
三好昭宏 Akihiro Miyoshi	Faculty of Letters, Department of Human Relations, Keio University Master of Business Administration (MBA) Program, College of Management, National Taiwan University	Misumi Corporation of Taiwan General Manager Misumi Corporation, General Manager, Logistics Business Division, Business Planning Department Vice Chairman of Nidec Chaun-Choung Technology Corporation	Chairman and CEO of Nidec Chaun-Choung Technology Corporation Chairman of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd. Chairman of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. Chairman of Nidec Chaun Choung Vietnam Corporation Chairman of Nidec Chaun-Choung Technology America, Inc.	74,514,982	Nidec Corporation
永井淳一 Junichi Nagai	Department of Economics, Yokohama National University	Head of Overseas Business Management Department, Nidec Corporation Chairman and CEO of Nidec Chaun-Choung Technology Corporation Chairman of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd. Chairman of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. Chairman of Nidec Chaun Choung Vietnam Corporation	Director and Advisor of Nidec Chaun-Choung Technology Corporation Director of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd. Director of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd.	74,514,982	Nidec Corporation
澄川洋平 Yohei Sumikawa	Faculty of Commerce, Department of Business and Trade, Chuo University	FP&A Manager, Accounting Department, Cost Accounting Section, Finance Division, AMP Japan Co., Ltd.	Chief Financial Officer (CFO), Chief Administrative Officer (CAO), Spokesperson of Nidec Chaun-Choung Technology Corporation Director of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd. Director of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. Director of Nidec Chaun Choung Vietnam Corporation Vice Chairman of Nidec Chaun-Choung Technology America, Inc.	74,514,982	Nidec Corporation
北尾宜久 Yoshihisa Kitao	Faculty of Economics, Kyoto Sangyo University	Executive Director of Mitsui Sumitomo Bank, Head of Nanba Corporate Sales Division 1 Senior Executive Officer of Nidec Corporation Executive Officer of Nidec Corporation, Head of Small Motor Business Division	Vice President and Executive Director of Nidec Corporation	74,514,982	Nidec Corporation
宮本榮治 Eiji Miyamoto	Department of Electrical Engineering,	General Manager of Development Division 2, Development Department,	General Manager of the Precision Small Motor Business Division and General Manager	74,514,982	Nidec Corporation

	Faculty of Engineering, University of Chubu	GMS Division, Precision Small Motor Business Unit, Nidec Corporation Executive Director of Nidec Corporation	of the Central Development Engineering Laboratory, Nidec Corporation		
松橋英壽 Hidetoshi Matsuhashi	Faculty of Economics, University of Toyama	Chief Financial Officer of GMS Division, Precision Small Motor Business Unit, Nidec Corporation Director of Nidec Chaun-Choung Technology Corporation Director of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd Director of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. Director of Nidec Chaun Choung Vietnam Corporation Chairman of Nidec Quanwei Electronics Technology (Dongguan) Co., Ltd. Vice Chairman of Nidec Chaung-Choung Technology America, Inc.	Chief Financial Officer and General Manager of the Management Division, Small Motor Business Unit, Nidec Corporation	74,514,982	Nidec Corporation
太田新吾 Shingo Ota	Department of Economics, Faculty of Economics, Ritsumeikan University	SPMS SPM Business Dept., Nidec Corporation General Manager of SPMS Business Dept. , Nidec Corporation Deputy General Manager of SPMS Sales Supervisory Div., Nidec Corporation	Vice Chairman of Nidec Taiwan Corporation Vice Chairman of Nidec (Shanghai) International Trading Co., Ltd. Vice President of Group in greater China	74,514,982	Nidec Corporation
山岡直人 Naoto Yamaoka	Department of Mechanical Systems Engineering Faculty of Engineering, University of Miyazaki Graduate School of Technology, MBA	Department Head, SPMS Business Planning Department, Nidec Corporation GL, SPMS Business Planning Department, Nidec Corporation Vice Chairman of Nidec Chaun-Choung Technology Corporation	Director of Nidec Chaun-Choung Technology Corporation General Manager and Director of Nidec Chaun Choung Vietnam Corporation	74,514,982	Nidec Corporation
高澤真治 Shinji Takasawa	Department of International Relations, Peking University	Manager of FA International Department and Representative of Guangzhou Branch, Sanbi Co., Ltd. Chairman and CEO, Takazawa Business Consulting (Hong Kong) Co., Ltd. and (Shenzhen) Co., Ltd.	Vice General Manager of NCSI	74,514,982	Nidec Corporation

		Executive Director of President's Office, Fujitsu General Limited (FUJITSU GENERAL) General Manager of NCSI.			
藤田啓之 Hiroyuki Fujita	Department of Economics, Faculty of Economics, Ritsumeikan University	Executive Director, Deputy Head of Precision Small Motor Business Unit, Nidec Corporation Executive Director of Nidec Corporation Expatriate General Manager, Nidec Electronics (Thailand) Co., Ltd.	Deputy Executive General Manager of Small Platform Motor & Solutions Business Unit Chairman of NIDEC Electronics (Thailand) Co., Ltd. Chairman of NIDEC Philippines Corporation Chairman and CEO of Nidec Vietnam Corporation Chairman of NIDEC MOTOR (SHAOGUAN) Co.,Ltd. Chairman of NIDEC MOTOR (ZHEJIANG) CORPORATION Chairman of NIDEC MOTOR (DONGGUAN) Co.,Ltd. Director of NIDEC Precision (Thailand) Co.,Ltd.	74,514,982	Nidec Corporation
The Candidates of the Independent director					
Name	Educational and Professional Qualifications	Main Experiences	Current Post	Number of Company shares held	The Name of Legal Person represented
丹保邦康 Kuniyasu Tampo	Department of Materials Science and Engineering, Faculty of Engineering, Kansai University	Deputy General Manager, Precision Small Motor Business Division, Nidec Corporation Chairman, Nidec (Thailand) Corporation Chairman, Nidec (Vietnam) Company Chairman, Nidec (Shaoguan) Corporation Chairman, Nidec (Dongguan) Corporation Deputy Chairman, Nidec (Zhejiang) Corporation	None	0	Not available
王文宇 Wang, Wen-Yeu	Doctor of legal of Stanford Law School; Master of legal of Columbia University; Bachelor of legal of National Taiwan University	Member of the Fair Trade Commission of the Executive Yuan; Director of Taiwan Cooperative Bank; Supervisor of Taiwan Futures Exchange; Supervisor of the Taiwan Legal Association; Professor of Legal College, National Taiwan University; Lawyer of Sullivan & Cromwell Law Office in New York, USA	Professor of Legal College and Leader of Public Policy Research Center, National Taiwan University; President of the Asian Law and Economics Association (AsLEA); Independent director of KGI Securities; Independent director of GUC Co., Ltd.; Independent director of Xintec Co., Ltd.	0	Not available

連俊華 Lian, Jun-Hua	MBA, University at Buffalo, the State University of New York, U.S.A. Bachelor's Degree in Accounting, National Chengchi University	CFO of Uniplus Electronics Co., Ltd. Vice President of Underwriting Department of Hua Nan Securities Co., Ltd. Special Assistant of Senao International; Vice President of Finance Department and Spokesperson of Golden Biotechnology Corporation	Independent Director of Trinity Precision Technology Co., Ltd.	0	Not available
周建華 Chou , Chien-Hung	Master's Degree, Department of Accounting, Chinese CulWei, May ture University Bachelor's Degree, Department of Economics, Feng Chia University Graduate of Credit Course for Master of Laws, National Taipei University	Manager of Department of Capital Market of Taishin Securities Co., Ltd. Manager of Department of Investment Banking of Yuanta Securities Co., Ltd.	Partner, Zhan Yue CPA Firm	0	Not available
魏美蓉 Wei, Mei-Jung	Master of Business Administration (MBA) in Marketing Management, University of Dallas, USA Master of Public Administration (MPA) in HR Management, National Chengchi University, Taiwan	WTW (Willis Towers Watson) Consulting Company - Head of Work & Rewards Consulting at Taiwan - APAC Organization Transformation Solution Leader - Director & Principal Consultant & Professional Facilitator of Consultant of Shine & Sagacity Consulting Company People Development Project Manager of Texas Instruments Taiwan Limited	Director of International Leadership Foundation (ILF) Taiwan Chapter Director of Social Enterprise Covenant Foundation (SECF)	0	Not available

(III) Please proceed with the election.

Election Result:

V. Additioanl Discussion

Item No.1:

(Proposed by the Board)

Agenda: Release of the Company's Newly Elected Directors from Non-Competition Restrictions. Please discuss.

Description:(I) According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval. Thus, it is proposed that the shareholders' meeting exempts the elected directors and their representatives from non-competition restrictions since their assumption of office, provided that such an exemption may not prejudice the interests of the Company.

(II) The information on companies that directors and their representatives con-currently serve is as follows:

(III) Please Discuss.

Details of non-competition restrictions on director candidates

Names of Candidate	Non-competition Companies and Titles
Representative of juristic-person director: Yoshihisa Kitao	Executive Vice President and Executive Director, Nidec Corporation
Representative of juristic-person director: Eiji Miyamoto	General Manager of the Precision Small Motor Business Division and General Manager of the Central Development Engineering Laboratory, Nidec Corporation
Representative of juristic-person director: Hidetoshi Matsushashi	Chief Financial Officer of the Small Motor Business Unit and General Manager of the Administration Division, Nidec Corporation
Representative of juristic-person director: Shingo Ota	Vice Chairman, Nidec Taiwan Corporation Vice Chairman, Nidec (Shanghai) International Trading Co., Ltd. Vice President, Greater China Region, Nidec Group
Representative of juristic-person director: Hiroyuki Fujita	Deputy General Manager, Small Motor Business Unit, Nidec Corporation Chairman, Nidec Electronics (Thailand) Co., Ltd. and Nidec Philippines Corporation Chairman and Executive Director, Nidec Vietnam Corporation Chairman, Nidec Motor (Shaoguan) Co., Ltd., Nidec Motor (Zhejiang) Co., Ltd., and Nidec (Dongguan) Ltd. Director, Nidec Precision (Thailand) Co., Ltd.
Wang, Wen-Yeu	Independent Director, Fine Materials Technology Co., Ltd. Convener, Taiwan Branch of the International Academy of Comparative Law (IACL) Visiting Professor and Dean, School of Law, Kainan University

Lien, Chun-Hua	Independent Director, Trinity Precision Technology Co., LTD.
Chou, Chien-Hung	Partner, Zhan Yue CPA Firm
Wei, Mei-Jung	Director, Taiwan Chapter of the International Leadership Foundation (ILF) Board Member, Social Enterprise Commitment Foundation

(IV) For resolution.

VI.Extempore Motions

VII. Meeting Adjourned

II. Annexes

[Annex I]

Nidec Chaun-Choung Technology Corporation

The 2024 Business Report

I. The 2024 Business Report

(I) In fiscal year 2024, the Company recorded a consolidated net operating revenue of NT\$8,123,811 thousand, representing a 24% decrease compared to NT\$10,759,092 thousand in fiscal year 2023. Pre-tax profit amounted to NT\$217,913 thousand, decreased by 75% from NT\$880,959 thousand in the previous year. Net profit after tax totaled NT\$127,513 thousand, and earnings per share (EPS) were NT\$1.48, representing a 79% decrease compared to the NT\$605,776 thousand and EPS of NT\$7.02 reported in fiscal year 2023. The decline in revenue and profitability was primarily attributable to cyclical changes in the gaming console industry. During the COVID-19 pandemic in 2020, global demand for gaming surged, resulting in a peak in console shipments. However, as of 2024, the majority of gaming consoles have been on the market for approximately four years and are approaching the end of their product life cycles. Consequently, global console shipments have declined by more than 25%, which in turn adversely affected the Company's performance during the reporting period.

(II) Budget execution: according to the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to disclose information regarding budget execution and analysis in 2023, as the Company did not release the information of financial forecasts in 2023.

(III) Financial Position and Profitability analysis(Consolidated Financial Statements)

Currency unit: NTD thousands

Item		Year	2023	2024
Financial Income and Expenditure	Operating Revenue		10,759,092	8,123,811
	Gross Profit from Operation		2,106,327	1,470,273
	Net Profit After Tax		605,776	127,513
Profitability	Return on Assets (%)		5.82	1.43
	Return on Equity (%)		10.92	2.17
	Pre-tax Profit as a percentage of Paid-up Capital (%)		102.02	25.23
	Net profit rate (%)		5.63	1.56
	Basic Earnings per Share (NT\$)		7.02	1.48

(IV) Research and Development

1. Research and Development Expenses in the last two years

Currency unit: NTD thousands

Year	2023	2024
R&D Expenses	591,822	586,199
As a Percentage of Current Year Revenue (%)	5.50	7.22

2. Research and Development Achievements

(1) Successfully Developed Technologies or Products

- i. Development completed for high-density computing server thermal modules — air-cooled thermal module capable of handling over 450W.
- ii. Development completed for networking equipment thermal solutions — air-cooled thermal module capable of handling over 800W.
- iii. Development completed for liquid cooling solutions — Mini CDU (Coolant Distribution Unit) for 8kW applications.
- iv. Development completed for liquid cooling thermal performance testing jig.
- v. Development completed for standardized water cooling modules.

(2) Technologies or Products Under Development

- i. Ongoing R&D on 3S (Slight / Slim / Strong) thermal conduction and dissipation products.
- ii. Development of thermal components capable of withstanding extreme temperatures from -40°C to 150°C.
- iii. Development of liquid cooling manifolds for chassis applications.
- iv. Development of next-generation 3D Vapor Chamber (VC) technology supporting 700–1400W.
- (vi) Developing Transient calculation module

II. Summary of 2024 Business Plan

(I) Operational Guidelines

1. Continue to develop new industries and fields, as well as new collaborative customers, to expand revenue scale. Constantly strengthen relationships with partners and enhance the services provided.
2. Strengthen the organization of the R&D department and focus on cultivating high-quality R&D talent to improve product development efficiency and quality. Additionally, keep pace with the times by focusing on high-power product applications in the AI technology development field to strengthen competitive advantage.
3. Utilize the overall resources of the Nidec Group to enhance business operations, product development, quality management, procurement, and other functions, thereby increasing the global competitiveness of the Group.

4. In response to the trends arising from the US-China trade war, continue to focus on developing the Southeast Asian region and keep pace with key partners. The Vietnam factory has reached a certain production scale and has passed certifications from several customers. In the future, it will fully utilize its high production capacity, becoming one of the solid manufacturing bases..

(II) Maintain Important Production and Sales Policies

1. Production: Continuously manage inventory strictly and improve inventory turnover capacity. Actively invest in automated production equipment to enhance production efficiency, improve product quality, and simplify production processes. Design materials with shared applicability to effectively reduce costs, thereby offering more competitive pricing.
2. Sales: In addition to maintaining existing domestic and international market share, keep pace with the market in the AI field, and continuously invest in production capacity for thermal management products. Strengthen overseas sales channels and actively expand into international markets.

III. Future Company Development Strategies

The application range of thermal management products is vast and widely used in fields such as PCs, notebooks, smartphones, cloud data centers, automobiles, and artificial intelligence (AI). The overall demand and market scale for thermal products continue to grow, especially driven by the development of AI. As we enter the era of AI, the power consumption of servers is increasing, requiring more diverse thermal module solutions to meet their objectives. Benefiting from the AI era, the steady growth in demand from cloud data centers and networking markets, thermal products have become one of the key elements for improving efficiency. The upcoming new product cycles in gaming consoles also present business opportunities, and related product revenue performance is expected to rise.

In response to current market trends, the company has formulated long-term business goals and is fully launching action plans, actively tracking execution results, and adjusting strategies as necessary. By leveraging the group's resources and establishing strong, long-term customer relationships, we aim to expand our product service scope and industry categories, gaining a competitive edge in each product line within the industry. We will strengthen R&D technology, quality, and efficiency, and share R&D achievements and revenue growth with our customers. The company also places great emphasis on important issues such as ESG sustainability reporting, investing resources to align with global trends.

In the face of the rapidly changing global economic environment, U.S. trade policies under the Trump administration, and attempts to reshape international political and trade orders, these issues will significantly affect the company's performance and the entire industry chain. In recent years, global geopolitical risks have not subsided, and the company must remain vigilant and formulate timely responses to face various challenges in the future AI-driven world.

With our best regards and wishes
Sincerely yours,

Chairman:

CEO:

Head of Accounting: Mei-Hua Chen

[Annex II]

Nidec Chaun-Choung Technology Corporation

Audit Committee's Review Report

The Board of Directors has prepared the Business Report, Consolidated Financial Statements, Standalone Financial Statements and the Earnings Distribution in 2024. I have reviewed these reports and statements, which were appropriately done. I hereby issue this Review Report pursuant to Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act.

To

2025 Annual Shareholders Meeting of Nidec Chaun-Choung Technology Corporaiton

Convener of Audit Comitee:
Cf Taxcpa

March 12, 2025

[Annex III] 2024 Independent Auditors' Report and Consolidated Financial Statements



安侯建業聯合會計師事務所
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Independent Auditors' Report

To the Board of Directors of NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION:

Opinion

We have audited the consolidated financial statements of NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(n) “Revenue recognition” for accounting policy related to revenue recognition, and note 6(n) “Revenue from contracts with customers” for disclosure information about revenue recognition of the consolidated financial statements.

Description of key audit matter:

The main revenue of the Group comes from the researching, development, production, and sale of thermal components in the computer and related industries. Since products are highly customized, the revenue recognition is concerned by the users or receiver of the financial statements, the test for revenue recognition is a highly concerned matter when we comply the audit procedure for the financial statements of the Group.

How the matter was addressed in our audit:

Our principal audit procedures included obtaining the list of top-ten customers and newly-added customers for the current year to analyze whether there is an unusual situation or not, inspecting of significant new contracts and understanding terms and conditions to assess whether there are any significant abnormalities, assessing the appropriateness of accounting policies for revenue recognition (including sales returns and discounts), testing the effectiveness of the design and the implementation of internal controls of sales. In addition, we also inspect the trading condition to client, and test the sales samples in the period of time around year end, to ensure the correctness of periods recognized revenue.

Other Matter

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group’s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Ko, Hui-Chih and Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)
March 12, 2025

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (notes 6(a) and (q))	\$ 3,208,584	31	2,887,639	28	2100	Short-term borrowings from related parties (notes 6(g), (q), (r), (t) and 7)	\$ 196,710	2	-	-
1150	Notes receivable, net (notes 6(c), (n) and (q))	742	-	-	-	2170	Accounts payable (note 6(q))	2,142,064	21	2,057,855	20
1170	Accounts receivable, net (notes 6(c), (n) and (q))	2,137,146	21	2,100,689	20	2180	Total accounts payable to related parties (notes 6(q) and 7)	15,880	-	16,362	-
1180	Accounts receivable due from related parties, net (notes 6(c), (n), (q) and 7)	222,770	2	442,409	4	2200	Other payables (notes 6(l), (o) and (q))	599,455	6	691,685	7
1200	Other receivables, net (note 6(q))	38,865	1	55,786	1	2220	Other payables to related parties (notes 6(q) and 7)	7,864	-	17,581	-
1210	Other receivables due from related parties, net (notes 6(q) and 7)	3,145	-	60	-	2250	Current provisions	1,887	-	1,844	-
130X	Inventories (note 6(d))	1,781,611	17	1,676,218	16	2280	Current lease liabilities (notes 6(i), (q), (r) and (t))	41,025	1	46,415	-
1410	Prepayments	99,345	1	133,164	1	2320	Long-term borrowings from related parties, current portion (notes 6(h), (q), (t) and 7)	131,140	1	245,640	2
1470	Other current assets	82,624	1	53,337	1	2399	Other current liabilities, others	225,764	2	160,242	2
Total current assets		7,574,832	74	7,349,302	71	Total current liabilities		3,361,789	33	3,237,624	31
Non-current assets:											
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(b) and (q))	63,340	1	48,211	1	Non-current liabilities:					
1600	Property, plant and equipment (notes 6(e) and 7)	2,285,806	22	2,453,872	24	2540	Long-term borrowings from related parties (notes 6(h), (q), (r), (t) and 7)	-	-	368,460	4
1755	Right-of-use assets (notes 6(f) and (i))	236,131	2	276,275	3	2570	Deferred income tax liabilities (note 6(k))	873,554	9	865,450	8
1780	Intangible assets	29,141	-	32,716	-	2580	Non-current lease liabilities (notes 6(i), (q) and (t))	19,746	-	58,908	1
1840	Deferred income tax assets (note 6(k))	53,032	1	96,251	1	2645	Guarantee deposits received (note 6(q))	1,651	-	1,808	-
1975	Net defined benefit asset, non-current (note 6(j))	11,557	-	5,722	-	2670	Other non-current liabilities, others	40,185	-	37,636	-
1920	Guarantee deposits paid (note 6(q))	41,707	-	42,918	-	Total non-current liabilities		935,136	9	1,332,262	13
Total non-current assets		2,720,714	26	2,955,965	29	Total liabilities		4,296,925	42	4,569,886	44
Equity attributable to owners of parent (note 6(l)):											
						3100	Ordinary shares	863,434	8	863,434	8
						3200	Capital surplus	531,823	5	531,823	5
Retained earnings:											
						3310	Legal reserve	981,253	10	920,385	9
						3320	Special reserve	213,785	2	74,392	1
						3350	Unappropriated retained earnings	3,398,812	33	3,559,132	35
							Total retained earnings	4,593,850	45	4,553,909	45
						3400	Other equity	9,514	-	(213,785)	(2)
							Total equity	5,998,621	58	5,735,381	56
Total assets		\$ 10,295,546	100	10,305,267	100	Total liabilities and equity		\$ 10,295,546	100	10,305,267	100

See accompanying notes to consolidated financial statements

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenues (notes 6(n) and 7)	8,123,811	100	10,759,092	100
5000	Operating costs (notes 6(d), (e), (f), (i), (j), (o) and 7)	6,653,538	82	8,652,765	80
	Gross profit from operations	1,470,273	18	2,106,327	20
	Operating expenses (notes 6(c), (e), (f), (i), (j), (o) and 7):				
6100	Selling expenses	289,667	4	340,933	3
6200	Administrative expenses	487,299	6	471,947	4
6300	Research and development expenses	586,199	7	591,822	6
6450	(Reversal of impairment loss) impairment loss determined in accordance with IFRS9	(15)	-	2	-
	Total operating expenses	1,363,150	17	1,404,704	13
	Net operating income	107,123	1	701,623	7
	Non-operating income and expenses (notes 6(e), (i), (p) and 7):				
7100	Interest income	46,910	1	45,612	-
7010	Other income	99,805	1	77,182	1
7020	Other gains and losses, net	(1,464)	-	108,496	1
7050	Finance costs	(34,461)	-	(51,954)	(1)
	Total non-operating income and expenses	110,790	2	179,336	1
7900	Income before income tax	217,913	3	880,959	8
7950	Less: Income tax expenses (note 6(k))	90,400	1	275,183	3
	Profit	127,513	2	605,776	5
8300	Other comprehensive income (loss) (notes 6(k) and (l)):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains on remeasurements from defined benefit plans	4,184	-	3,627	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	15,129	-	(45,758)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	837	-	725	-
	Total items that may not be reclassified subsequently to profit or loss	18,476	-	(42,856)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation	260,213	3	(117,044)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	52,043	1	(23,409)	-
	Total items that may be reclassified subsequently to profit or loss	208,170	2	(93,635)	(1)
8300	Other comprehensive income (loss)	226,646	2	(136,491)	(1)
8500	Total comprehensive income	\$ 354,159	4	\$ 469,285	4
	Earnings per share (note 6(m))				
9750	Basic earnings per share (NT Dollars)	\$ 1.48		\$ 7.02	
9850	Diluted earnings per share (NT Dollars)	\$ 1.48		\$ 7.00	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Other equity		Total	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance on January 1, 2023	\$ 863,434	531,823	858,721	200,748	2,978,149	4,037,618	(148,363)	73,971	(74,392)	5,358,483
Profit for the year ended December 31, 2023	-	-	-	-	605,776	605,776	-	-	-	605,776
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	2,902	2,902	(93,635)	(45,758)	(139,393)	(136,491)
Comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	608,678	608,678	(93,635)	(45,758)	(139,393)	469,285
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	61,664	-	(61,664)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(92,387)	(92,387)	-	-	-	(92,387)
Reversal of special reserve	-	-	-	(126,356)	126,356	-	-	-	-	-
Balance on December 31, 2023	863,434	531,823	920,385	74,392	3,559,132	4,553,909	(241,998)	28,213	(213,785)	5,735,381
Profit for the year ended December 31, 2024	-	-	-	-	127,513	127,513	-	-	-	127,513
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	3,347	3,347	208,170	15,129	223,299	226,646
Comprehensive income for the year ended December 31, 2024	-	-	-	-	130,860	130,860	208,170	15,129	223,299	354,159
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	60,868	-	(60,868)	-	-	-	-	-
Special reserve	-	-	-	139,393	(139,393)	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(90,919)	(90,919)	-	-	-	(90,919)
Balance on December 31, 2024	\$ 863,434	531,823	981,253	213,785	3,398,812	4,593,850	(33,828)	43,342	9,514	5,998,621

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	\$ 217,913	880,959
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	387,183	362,528
Amortization expense	10,240	10,456
(Reversal of impairment loss) impairment loss determined in accordance with IFRS 9	(15)	2
Interest expense	34,461	51,954
Interest income	(46,910)	(45,612)
Dividend income	(742)	(1,483)
Loss from disposal of property, plant and equipment	13,712	17,746
Property, plant and equipment transferred to expenses	9,734	216
Impairment loss on non-financial assets	71,897	-
Unrealized foreign exchange (gain) loss	(8,035)	5,028
Gain from lease modifications	(336)	(91)
Total adjustments to reconcile profit	471,189	400,744
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in notes receivable	-	44,080
(Increase) decrease in accounts receivable	(36,442)	161,988
Decrease in accounts receivable due from related parties	219,639	947,653
Increase in other receivables	(7,784)	(7,967)
Increase in other receivable due from related parties	(3,085)	-
(Increase) decrease in inventories	(110,817)	155,551
Decrease (increase) in prepayments	33,819	(10,644)
(Increase) decrease in other current assets	(29,287)	63,300
Increase in net defined benefit assets	(1,651)	(1,923)
Total changes in operating assets	64,392	1,352,038
Changes in operating liabilities:		
Increase (decrease) in accounts payable	84,209	(906,457)
(Decrease) increase in accounts payable to related parties	(482)	3,057
Decrease in other payables	(43,034)	(167,757)
Increase (decrease) in other payables to related parties	699	(3,887)
Increase (decrease) in provisions	43	(25)
Increase in other current liabilities	65,522	17,732
Total changes in operating liabilities	106,957	(1,057,337)
Total changes in operating assets and liabilities	171,349	294,701
Total adjustments	642,538	695,445
Cash inflow generated from operations	860,451	1,576,404
Interest received	46,910	45,612
Interest paid	(44,877)	(55,755)
Income taxes paid	(119,215)	(142,688)
Net cash flows from operating activities	743,269	1,423,573
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(181,078)	(325,444)
Proceeds from disposal of property, plant and equipment	13,183	68,258
Decrease in refundable deposits	1,211	396
Acquisition of intangible assets	(6,279)	(11,073)
Dividends received	1,483	1,483
Net cash flows used in investing activities	(171,480)	(266,380)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	193,080	177,280
Decrease in short-term borrowings	-	(909,226)
Repayments of long-term borrowings	(514,320)	(113,120)
(Decrease) increase in guarantee deposits received	(157)	72
Payments of lease liabilities	(45,835)	(32,026)
Decrease in other non-current liabilities	-	(6)
Cash dividends paid	(90,919)	(92,387)
Net cash flows used in financing activities	(458,151)	(969,413)
Effect of exchange rate changes on cash and cash equivalents	207,307	(119,515)
Net increase in cash and cash equivalents	320,945	68,265
Cash and cash equivalents at beginning of period	2,887,639	2,819,374
Cash and cash equivalents at end of period	\$ 3,208,584	2,887,639

See accompanying notes to consolidated financial statements.

[Annex IV] 2024 Independent Auditors' Report and Standalone Financial Statements



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors of NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION:

Opinion

We have audited the financial statements of NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION ("the Company"), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(n) "Revenue recognition" for accounting policy related to revenue recognition, and note 6(o) "Revenue from contracts with customers" for disclosure information about revenue recognition of the financial statements.

Description of key audit matter:

The main revenue of the Company comes from the researching, development, production, and sale of thermal components in the computer and related industries. Since products are highly customized, the revenue recognition is concerned by the users or receiver of the financial statements, the test for revenue recognition is a highly concerned matter when we comply the audit procedure for the financial statements of the Company.

How the matter was addressed in our audit:

Our principal audit procedures included obtaining the list of top-ten customers and newly-added customers for the current year to analyze whether there is an unusual situation or not, inspecting of significant new contracts and understanding terms and conditions to assess whether there are any significant abnormalities, assessing the appropriateness of accounting policies for revenue recognition (including sales returns and discounts), testing the effectiveness of the design and the implementation of internal controls of sales and performing the sales cut-off test on the period before and after the balance sheet date, to ensure sales are recognized in the appropriate accounting period. In addition, we also check the trading condition to client, and test the sales samples in the period of time around year end, to ensure the correctness of periods recognized revenue.

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

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Ko, Hui-Chih and Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)
March 12, 2025

Notes to Readers:

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

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

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

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (notes 6(a) and (i))	\$ 648,958	6	672,087	6	2170	Accounts payable (note 6(i))	\$ 488,147	5	412,357	4
1150	Notes receivable, net (notes 6(c), (o) and (i))	742	-	-	-	2180	Accounts payable to related parties (notes 6(i) and 7)	2,599,055	25	2,361,057	23
1170	Accounts receivable, net (notes 6(c), (o) and (i))	1,360,656	13	1,327,303	13	2200	Other payables (note 6(i))	172,850	2	327,155	3
1180	Accounts receivable due from related parties, net (notes 6(c), (o), (i) and 7)	267,634	3	498,694	5	2220	Other payables to related parties (notes 6(i) and 7)	28,303	-	38,929	1
1200	Other receivables (note 6(i))	35,957	-	21,179	-	2250	Current provisions	739	-	739	-
1210	Other receivables due from related parties (notes 6(i) and 7)	89,796	1	112,492	1	2280	Current lease liabilities (notes 6(j) and (i))	19,974	-	26,635	-
130X	Inventories (note 6(d))	1,083,224	11	994,870	10	2320	Long-term borrowings from related parties, current portion (notes 6(i), (i), (s), (u) and 7)	131,140	1	245,640	2
1410	Prepayments	7,340	-	6,435	-	2399	Other current liabilities, others	175,194	2	110,997	1
1470	Other current assets	9,046	-	31,270	-		Total current liabilities	3,615,402	35	3,523,509	34
	Total current assets	3,503,353	34	3,664,330	35	Non-current liabilities:					
Non-current assets:											
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(b) and (i))	63,340	1	48,211	1	2540	Long-term borrowings from related parties (notes 6(i), (i), (s), (u) and 7)	-	-	368,460	4
1550	Investments accounted for using equity method (note 6(e))	6,368,298	61	6,092,959	58	2570	Deferred tax liabilities (note 6(l))	785,475	7	785,364	7
1600	Property, plant and equipment (notes 6(f) and 8)	362,369	4	434,557	4	2580	Non-current lease liabilities (notes 6(j) and (i))	1,749	-	21,321	-
1755	Right-of-use assets (note 6(g))	21,140	-	47,282	1	2645	Guarantee deposits received (note 6(i))	58	-	58	-
1780	Intangible assets	18,356	-	22,388	-		Total non-current liabilities	787,282	7	1,175,203	11
1840	Deferred tax assets (note 6(l))	12,020	-	77,043	1		Total liabilities	4,402,684	42	4,698,712	45
1975	Net defined benefit asset, non-current (note 6(k))	11,557	-	5,722	-	3100	Equity (note 6(m)):				
1920	Guarantee deposits paid (note 6(i))	40,872	-	41,601	-	3200	Ordinary shares	863,434	8	863,434	8
	Total non-current assets	6,897,952	66	6,769,763	65	3200	Capital surplus	531,823	5	531,823	5
							Retained earnings:				
						3310	Legal reserve	981,253	10	920,385	9
						3320	Special reserve	213,785	2	74,392	1
						3350	Unappropriated retained earnings	3,398,812	33	3,559,132	34
							Total retained earnings	4,593,850	45	4,553,909	44
						3400	Other equity	9,514	-	(213,785)	(2)
							Total equity	5,998,621	58	5,735,381	55
Total assets		\$ 10,401,305	100	10,434,093	100		Total liabilities and equity	\$ 10,401,305	100	10,434,093	100

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION
Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Share)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenues (notes 6(o) and 7)	\$ 6,193,287	100	8,712,379	100
5000	Operating costs (notes 6(d), (f), (g), (j), (k), (p) and 7)	5,346,104	86	7,735,767	89
	Gross profit from operations	847,183	14	976,612	11
	Operating expenses (notes 6(c), (f), (g), (j), (k), (p) and 7):				
6100	Selling expenses	140,202	2	164,256	2
6200	Administrative expenses	194,852	3	197,808	2
6300	Research and development expenses	304,050	5	338,284	4
6450	(Reversal of impairment loss) impairment loss determined in accordance with IFRS 9	(15)	-	2	-
	Total operating expenses	639,089	10	700,350	8
	Net operating income	208,094	4	276,262	3
	Non-operating income and expenses (notes (f), (j), 6(q) and 7):				
7100	Interest income	7,920	-	10,661	-
7010	Other income	21,817	-	44,936	1
7020	Other gains and losses, net	(58,349)	(1)	44,534	1
7050	Finance costs	(28,102)	-	(44,134)	(1)
7070	Share of profit of subsidiaries accounted for using equity method, net	23,395	-	421,998	5
	Total non-operating income and expenses	(33,319)	(1)	477,995	6
7900	Profit before income tax	174,775	3	754,257	9
7950	Less: Income tax expenses (note 6(l))	47,262	1	148,481	2
	Profit	127,513	2	605,776	7
8300	Other comprehensive income (loss) (notes 6(l) and (m)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains on remeasurements of defined benefit plans	4,184	-	3,627	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	15,129	-	(45,758)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	837	-	725	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	18,476	-	(42,856)	(1)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	260,213	4	(117,044)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	52,043	1	(23,409)	-
	Total items that may be reclassified subsequently to profit or loss	208,170	3	(93,635)	(1)
8300	Other comprehensive income (loss)	226,646	3	(136,491)	(2)
8500	Total comprehensive income	\$ 354,159	5	469,285	5
	Earnings per share (note 6(n))				
9750	Basic earnings per share (NT Dollars)	\$ 1.48		7.02	
9850	Diluted earnings per share (NT Dollars)	\$ 1.48		7.00	

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

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

	Retained earnings						Other equity		Total	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance on January 1, 2021	\$ 863,434	531,823	858,721	200,748	2,978,149	4,037,618	(148,363)	73,971	(74,392)	5,358,483
Profit for the year ended December 31, 2023	-	-	-	-	605,776	605,776	-	-	-	605,776
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	2,902	2,902	(93,635)	(45,758)	(139,393)	(136,491)
Comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	608,678	608,678	(93,635)	(45,758)	(139,393)	469,285
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	61,664	-	(61,664)	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(92,387)	(92,387)	-	-	-	(92,387)
Reversal of special reserve	-	-	-	(126,356)	126,356	-	-	-	-	-
Balance on December 31, 2023	863,434	531,823	920,385	74,392	3,559,132	4,553,909	(241,998)	28,213	(213,785)	5,735,381
Profit for the year ended December 31, 2024	-	-	-	-	127,513	127,513	-	-	-	127,513
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	3,347	3,347	208,170	15,129	223,299	226,646
Comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	130,860	130,860	208,170	15,129	223,299	354,159
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	60,868	-	(60,868)	-	-	-	-	-
Special reserve	-	-	-	139,393	(139,393)	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(90,919)	(90,919)	-	-	-	(90,919)
Balance on December 31, 2024	\$ 863,434	531,823	981,253	213,785	3,398,812	4,593,850	(33,828)	43,342	9,514	5,998,621

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

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	\$ 174,775	754,257
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	107,547	122,918
Amortization expense	6,185	5,847
(Reversal of impairment loss) impairment loss determined in accordance with IFRS 9	(15)	2
Interest expense	28,102	44,134
Interest income	(7,920)	(10,661)
Dividend income	(742)	(1,483)
Share of profit of subsidiaries accounted for using equity method	(23,395)	(421,998)
Loss (gain) from disposal of property, plant and equipment	1,976	(14,158)
Property, plant and equipment transferred to expenses	441	1,733
Impairment loss on non-financial assets	14,560	-
Unrealized loss on transactions with affiliates	8,269	1,484
Unrealized foreign exchange (gain) loss	(8,035)	5,028
Gain from lease modifications	(336)	(91)
Total adjustments to reconcile profit	126,637	(267,245)
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(33,338)	244,378
Decrease in accounts receivable due from related parties	231,060	942,547
(Increase) decrease in other receivables	(16,261)	24,108
Decrease (increase) in other receivables due from related parties	22,696	(38,065)
(Increase) decrease in inventories	(88,354)	119,077
(Increase) decrease in prepayments	(905)	6,318
Decrease in other current assets	22,224	21,731
Increase in net defined benefit assets	(1,651)	(1,923)
Total changes in operating assets	135,471	1,318,171
Increase (decrease) in accounts payable	75,790	(219,543)
Increase (decrease) in accounts payable to related parties	237,998	(1,276,794)
Decrease increase in other payables	(69,399)	(18,997)
Decrease increase in other payables to related parties	(210)	(14,436)
Increase in other current liabilities	64,197	22,326
Total changes in operating liabilities	308,376	(1,507,444)
Total changes in operating assets and liabilities	443,847	(189,273)
Total adjustments	570,484	(456,518)
Cash inflow generated from operations	745,259	297,739
Interest received	7,920	10,661
Interest paid	(38,518)	(42,702)
Income taxes paid	(119,913)	(58,754)
Net cash flows from operating activities:	594,748	206,944
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(28,214)	(21,113)
Proceeds from disposal of property, plant and equipment	1,519	51,926
Decrease in refundable deposits	729	765
Acquisition of intangible assets	(2,153)	(6,501)
Dividends received	1,483	1,483
Net cash flows (used in) from investing activities:	(26,638)	26,560
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	-	(219,096)
Repayments of long-term borrowings	(514,320)	(113,120)
Increase in guarantee deposits received	-	1
Payment of lease liabilities	(25,395)	(28,488)
Cash dividends paid	(90,919)	(92,387)
Net cash flows used in financing activities:	(630,634)	(453,090)
Effect of exchange rate changes on cash and cash equivalents	39,393	(16,863)
Net decrease in cash and cash equivalents	(23,129)	(236,449)
Cash and cash equivalents at beginning of period	672,087	908,536
Cash and cash equivalents at end of period	\$ 648,958	672,087

[Annex V]

Nidec Chaun-Choung Technology Corporation
2024 Earnings Distribution Table

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	3,267,951,799
Plus: the adjustment of other comprehensive income	
Actuarial gains and losses of the period	3,346,848
Net Income of 2024	127,513,306
Distributable earnings	3,398,811,953
Plus : Reversal of special reserve for the deduction of equity	213,784,719
Subtract : 10% legal reserve	13,086,015
Set aside special reserve	-
Set aside special reserve for the deduction of equity	-
Distributions	
Subtract : cash dividend (0.222 NTD dollars per share)	19,168,234
Stock dividends	
Undistributed earnings at the end of the period	3,580,342,423

Note 1 : The earnings distribution of the current period is allotted from the profit of fiscal year 2024.

Note 2 : Cash dividends will be paid in proportion to each shareholding and calculated until NTD Yuan. The figures following NTD Yuan will be rounded off. The distribution amount which is less than NTD Yuan will be aggregated and recognized as non-operating income of the Company.

Chairman: Akihiro Miyoshi

CEO: Akihiro Miyoshi

Head of Accounting: Mei-Hua Chen

[Annex VI]

Nidec Chaun-Choung Technology Corporation
Comparison Table of the provisions for Memorandum and Articles of Association

Sequence number	Provisions after amendment	Provisions currently in effect	Reasons for amendment
Article 13	The Company shall have five to fifteen directors, who shall be elected by the shareholders' meeting for a term of three years and shall be eligible for re-election. Independent directors and non-independent directors shall be elected at the same time, and the number of elected directors shall be counted separately. The election of directors shall be conducted under the candidate nomination system in accordance with Article 192-1 of the Company Act and related regulations, and shareholders shall elect the directors from the list of candidates. The number of independent directors shall not be less than <u>three</u> and shall not be less than one-fifth of the number of directors in the first director quota. <u>Starting from the year of 2027, the number of independent directors shall not be less than one-third of the number of seats in the board of directors, except that if the term of office of a director does not expire in the year of 2027, the term of office of the director may be applied from the time of the expiration of the term of office of the director.</u>	The Company shall have five to fifteen directors, who shall be elected by the shareholders' meeting for a term of three years and shall be eligible for re-election. Independent directors and non-independent directors shall be elected at the same time, and the number of elected directors shall be counted separately. The election of directors shall be conducted under the candidate nomination system in accordance with Article 192-1 of the Company Act and related regulations, and shareholders shall elect the directors from the list of candidates. The number of independent directors shall not be less than <u>five</u> and shall not be less than one-fifth of the number of directors in the number of directors in the first director quota.	Adjust the board seats to align with the practical operations of the company and to increase flexibility in operational practices.
Article 20	If the Company has a profit for the year (defined as pre-tax profit before distribution of employees' remuneration and directors' remuneration), the Company shall appropriate no less than 3% of the profit for employees' remuneration	If the Company has a profit for the year (defined as pre-tax profit before distribution of employees' remuneration and directors' remuneration), the Company <u>shall appropriate no less than 3% of the profit for employees' remuneration,</u>	In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act regarding the regulations for grassroots employees.

Sequence number	Provisions after amendment	Provisions currently in effect	Reasons for amendment
	and <u>5% of the profit for employees' remuneration to be distributed to ordinary employees</u> in the form of stock or cash as resolved by the Board of Directors, and the recipients shall include employees of subsidiaries who meet the conditions set by the Board of Directors. The Company may also provide remuneration to directors within the limit of 3% of the above profits as resolved by the Board of Directors. However, if the Company has accumulated losses, the Company shall reserve the amount to cover such losses before distributing the remaining balance for the purpose of calculating the employees' and directors' remuneration.	which shall be paid in stock or cash as resolved by the Board of Directors, and the recipients shall include employees of subsidiaries who meet the conditions set by the Board of Directors. The Company may also provide remuneration to directors within the limit of 3% of the above profits as resolved by the Board of Directors. However, if the Company has accumulated losses, the Company shall reserve the amount to cover such losses before distributing the remaining balance for the purpose of calculating the employees' and directors' remuneration.	
Article 22	(The above is omitted) The 34th revision was made on August 12th, 2021. The 35th revision was made on June 20th, 2022. The 36th revision was made on June 24th, 2024 <u>The 37th revision was made on June 20th, 2025</u>	(The above is omitted) The 34th revision was made on August 12th, 2021. The 35th revision was made on June 20th, 2022. The 36th revision was made on June 24th, 2024	In conjunction with the revision of some provisions, added the revision date.

III. Appendices

[Appendix I]

Nidec Chaun-Choung Technology Corporation Articles of Incorporation

Passed by the Extraordinary Shareholders Meeting on August 12th ,2021

Chapter I General Provisions

Article 1: The Company is duly incorporated in accordance with the Company Act and bears the name of 尼得科超眾科技股份有限公司. The name in English is NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION.

Article 2: The Company is engaged in the following business:

- I. C805050 Industrial plastic products manufacturing.
- II. C805070 Tempered plastic products manufacturing.
- III. C805990 Other plastic products manufacturing.
- IV. C901020 Glass and glass products manufacturing.
- V. CA02010 Metallic structures and constructions components manufacturing.
- VI. CB01990 Other machine manufacturing.
- VII. CC01030 Electric appliances and audiovisual electronic products manufacturing.
- VIII. CC01080 Electronic components manufacturing.
- IX. CC01990 Other electrical and electronic machine manufacturing (heat conducting tubes, heat sink, thermal radiation and conduction equipment).
- X. CD01030 Automotive and parts manufacturing.
- XI. CH01040 Toy manufacturing.
- XII. CQ01010 Mold manufacturing.
- XIII. F113010 Wholesale of machines.
- XIV. F113020 Wholesale of electrical appliances.
- XV. F114030 Wholesale of automotive, motorcycle parts and equipment.
- XVI. F119010 Wholesale of Electronic Materials.
- XVII. F219010 Retail of Electronic Materials.
- XVIII. CA02990 Other metallic products manufacturing.
- XIX. CB01010 Machine and equipment manufacturing.
- XX. CD01040 Motorcycles and parts manufacturing.

XXI. F401010 International trade.

XXII. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may undertake guarantees for others.

Article 3: The Company is headquartered in New Taipei City and may establish branches in Taiwan and other countries in accordance with the resolutions of the Board where necessary.

Article 4: The Company may make investments as necessary of the business. Acting as a limited liability shareholder of other companies in accordance with the resolutions of the Board. The total amount of investments may not be subject to the restrictions on the amount of investment prescribed by Article 13 of the Company Act.

Article 4-1: (Deleted)

Chapter II Shares

Article 5: The Company has stated total capital of NT\$1,200,000,000 evenly split up into 120,000,000 shares, all of which are common shares with NT\$10 per share. Regarding the unissued shares, the Board is authorized to issue the shares in tranches. Of all these shares, 500,000 will be reserved for stock options, preferred shares with warrants or corporate bonds with warrants which are exercised the options.

Article 6: (Deleted)

Article 7: The Company issues registered shares and is not required to print physical share certificates and shall contact Taiwan Depository and Clearing Corporation for registration and custody. The same procedure is applicable to the offering of other securities.

Article 7-1: The Company shall handle stock affairs in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent securities authorities.

Article 8: The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders meeting, or within 30 days prior to the convening date of a special shareholders meeting, or within 5 days prior to the target date for distribution of dividends, bonus or other benefits.

Chapter III Shareholders' Meeting

Article 9: The Shareholders Meeting may convene in regular session and special session. A Regular session will be held once every year and shall be convened within six months after close of each fiscal year. A Special session will be held at any time when necessary.

The shareholders meeting might be held via video conference or other means in session, which announced by the central competent authority.

Article 10: If a specific shareholder cannot attend Shareholders' Meeting in person, such

shareholder may use the power of attorney prepared by the Company and specify the scope of authorization to appoint a proxy to attend the meeting. The regulations governing the appointment of proxy to attend a Shareholders' Meeting shall be in compliance with Article 177 of the Company Act and also the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authority.

Article 11: Shareholders shall have one voting power in respect of each share in his/her/its possession. However, there is no voting power if there are restrictions imposed by relevant laws and regulations.

Article 12: Resolutions of the Shareholders Meeting shall be made by a simple majority of the shareholders or proxies in session and representing more than half of the outstanding shares unless the law provides otherwise.

Article 12-1: Where the Board may call for the Shareholders Meeting, the presiding officer shall comply with Paragraph 3 of Article 208 of the Company Act. Where a third party (parties) may convene the Shareholders Meeting, the convener shall act as the presiding officer. If there are 2 or more parties calling for the meeting, 1 should be nominated from among these parties to preside over the Shareholders Meeting.

Article 12-2: The resolutions of the Shareholders Meeting shall be made as minutes of meeting on record, confirmed by the presiding officer with signature or seal, and release to the shareholders within 20 days after the convention. The composition of the minutes of the meeting on record may be released electronically.

Chapter IV Directors and Audit Committee

Article 13: The Company shall have 5 to 15 Directors. They shall be elected by the shareholders meeting from among the persons with disposing capacity. Each shall have tenure of 3 years and may assume a new term of office if re-elected. The election of Independent Directors and Directors will be held simultaneously, but in separately calculated numbers.

The candidate nomination system is adopted for the election of Directors and Supervisors in accordance with Article 192-1 of the Company Act and other applicable laws. Shareholders shall elect from the candidates on the list.

According to Article 14-4 of the Securities and Exchange Act, the company has set up an "Audit Committee" consisting of all independent directors.

The election of directors adopts the method of single-register cumulative voting. Each share has the same voting rights as the number of directors to be elected. One person may be elected collectively or the number of persons to be elected shall be distributed. Independent directors and non-independent directors shall be elected together and the number of elected persons shall be calculated separately.

The ratio of shareholdings by all Directors shall be governed by the rules and regulations of the competent authority of securities.

Of all the numbers mentioned in paragraph 1, Independent Directors shall not less than 5, in number and not less than one-fifth of the total number of directors.

Article 13-1: If 1/3 of Directors were left vacant, or the all Supervisors were discharged, the Board shall call for a special session of the Shareholders Meeting to elect new candidates to fill the vacancies within 60 days. The tenure for the new Directors and Supervisors shall cover the rest of the term left behind by their predecessors.

Article 14: The Directors shall be organized into the Board of Directors and the Chairman shall be elected among the Directors with the presence of at least 2/3 of the Directors and approved by a simple majority of the Board. It may also elect in the same manner a vice chairman of the board. The Chairman shall externally act on behalf of the Company.

The reasons for calling a Board of Directors Meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, Board of Directors Meeting may be called at any time. The notice for Board of Directors Meeting may be made by fax or e-mail instead of paper notice.

All directors shall attend the Board of Directors Meeting in person. Attendance via video conference is deemed as attendance in person.

If specific Director cannot attend the Board of Directors Meeting in person, such Director may issue a power of attorney specifying the scope of authorization, and appoint another Director to act as proxy to attend the Board of Directors Meeting. However, a proxy can accept a proxy from one person only.

Article 15: In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the proxy mechanism shall be governed by Article 208 of the Company Act. If specific Director cannot attend the Board of Directors Meeting, the proxy shall be proceed to Article 205 of the Company Act.

Article 15-1: Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Article 16: The Board shall be authorized to determine the remuneration of the Chairman, Directors and Supervisors on the basis of their frequency of participation in the operation and contribution value to the Company with reference to the standards of industry peers.

The Company shall take professional liability insurance for the protection of the Directors and Supervisors within the term and their scope of assigned duties with the aspect of their legal liability.

Chapter V Managerial Officers

Article 17: The Company shall establish the positions for several managerial officers. The appointment, dismissal and remuneration of whom shall be handled in accordance with the Article 29 of the Company Act.

Chapter VI Accounting

Article 18: At the end of each fiscal year, the Board shall prepare the following reports and statements and shall propose to the Shareholders' Meeting for

recognition. 1. Business Report 2. Financial Statements. 3. Proposal for the Earnings Distribution or loss off-setting.

Article 19: (Deleted)

Article 20: The Company shall appropriate not less than 3% of its profit, where applicable, as employees' compensation (the profit before taxes and before the deduction of employees' compensation and Directors and Supervisors' compensation), the Board shall determine the employees' compensation payment by cash or stock, and the employees of subsidiaries who meet the criteria determined by the Board of Directors are also entitled to get the compensation. The Company may also appropriate Directors and Supervisors' compensation not more than 3% of the above profit in accordance with the resolutions of the Board. However, if the Company still has accumulated losses, it should take the profit to cover the cumulative losses at first, then appropriate the remainder as employees' compensation and Directors and Supervisors' compensation.

Article 20-1: If the Company has net profit after tax the current period after the annual accounting settlement, the Company shall take the profit to cover the cumulative losses (including adjustment of the undistributed earnings) at first, then distribute as the following priorities:

- (1) Appropriation of 10% as a legal reserve until the amount of legal reserve is equivalent to the paid-in capital.
- (2) Appropriation or reversal of special reserve in accordance with applicable laws or requirements of the competent authority.
- (3) Add to the undistributed earnings accumulated in the preceding fiscal years to pool up as distributable earnings. The Board shall submit the proposal of earnings distribution subject to the approval of the Shareholders Meeting.

The Company is still at the growth stage. In consideration of the Company's environment and industrial growth, capital requirements in the future and the long- term financial planning as well as maintaining sustainable and stable business development, the Company adopts the policy of dividend payment from earnings. In general, earnings for distribution will not less than 15% of the after tax profit of current period. Further to the aforementioned requirements, stock dividends shall not be higher than 80% and cash dividends shall not less than 20% of the total dividends amount.

Chapter VII Miscellaneous

Article 21: Anything not covered by the Articles of Incorporation shall be governed by the Company Act.

Article 22: The Articles of Incorporation are instituted on December 14th, 1973.
Amended for the 1st version on July 5th, 1976.
Amended for the 2nd version on January 25th, 1977.
Amended for the 3rd version on April 12th, 1980.
Amended for the 4th version on July, 26th, 1982.
Amended for the 5th version on August 26th, 1982.

Amended for the 6th version on September 20th, 1982.
Amended for the 7th version on March 4th, 1985.
Amended for the 8th version on July 12th , 1986.
Amended for the 9th version on October 3rd, 1986.
Amended for the 10th version on September 5th, 1990.
Amended for the 11th version on March 26th, 1991.
Amended for the 12th version on June 15th, 1995.
Amended for the 13th version on December 19th, 1995.
Amended for the 14th version on November 16th, 1998.
Amended for the 15th version on July 29th, 1999.
Amended for the 16th version on August 31st, 1999.
Amended for the 17th version on April 25th, 2000.
Amended for the 18th version on June 9th, 2000.
Amended for the 19th version on June 14th, 2002.
Amended for the 20th version on June 25th, 2003.
Amended for the 21st version on June 25th, 2003.
Amended for the 22nd version on June 21st, 2004.
Amended for the 23rd version on February 25th, 2005.
Amended for the 24th version on June 10th, 2005.
Amended for the 25th version on June 9th, 2006.
Amended for the 26th version on June 13th, 2007.
Amended for the 27th version on June 16th, 2009.
Amended for the 28th version on June 4th, 2010.
Amended for the 29th version on June 21st, 2012.
Amended for the 30th version on June 13th, 2016.
Amended for the 31st version on June 20th, 2017.
Amended for the 32nd version on June 22nd, 2020.
Amended for the 33rd version on December 9th, 2020.
Amended for the 34th version on August 12th , 2021.
Amended for the 35th version on June 20th , 2022.
Amended for the 36th version on June 24th , 2024.

[Appendix II]

Nidec Chaun-Choung Technology Corporation Rules of Procedure for Shareholders Meeting

Passed by the Shareholders Meeting on June 21, 2012

- Article 1: The rule of procedure for Shareholders Meeting of the Company, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in this Rules.
- Article 2: Shareholders under this Procedure are shareholders themselves and the proxy appointed by the shareholders to attend the Meeting in accordance with the law.
- Article 3: The shareholders or proxies shall hand over attendance cards instead of signing to attend the Shareholders Meeting. The number of shares in attendance shall be calculated according to the attendance cards handed over. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- Article 4: Attendance and vote at Shareholders meeting shall be calculated based on numbers of shares.
- Article 5: The chair shall call the Meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still not represent enough, the chair shall declare the meeting adjourned. However, if the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another Shareholders Meeting shall be convened within 1 month. When, prior to conclusion of the meeting, the attending shareholders represent one third or more of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the Shareholders Meeting pursuant to Article 174 of the Company Act.
- Article 6: If a Shareholders Meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the Board. When the chairperson of the Board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- Article 7: The Company may appoint its attorneys, Certified Public Accountants, or related persons retained by it to attend a Shareholders Meeting in a non-

voting capacity.

- Article 8: Staffs handling administrative affairs of a Shareholders Meeting shall wear identification cards or arm bands.
- Article 9: The Company shall make an audio or video recording through the entire procedure of the Shareholders Meeting and retain the recorded materials for at least 1 year.
- Article 10: If a Shareholders Meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders Meeting.
- Article 11: Before speaking, the chair may ask an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders' speak will be set by the chair.
- Article 12: A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- Article 13: Shareholders may restrain the authority of proxies in the power of attorney or through other means, and whether such restraint is known to the Company or not, the speech and votes of the proxies shall prevail.
- Article 14: Each shareholder may express an opinion on the same motion for no more than twice unless with the consent of the chair. Five minutes are allowed for each expression, shareholders violate the forementioned regulations or exceed the scope of the agenda, the chair shall stop the shareholder from going on with the expression.
- Article 15: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the Shareholders Meeting.
- Article 16: When a juristic person shareholder appoints two or more representatives to attend a Shareholders Meeting, only one of the representatives appointed may speak on the same proposal.
- Article 17: After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Article 18: Regarding the discussion of motions, when the chair considers the motion has been discussed sufficiently and shall put it to a vote, the chair may announce the discussion closed and call for a vote.
- Article 19: If it is not a motion, it will not be discussed or voted. When the chair considers the motion has been discussed sufficiently and shall put it to a vote, the chair may announce the discussion closed.
- Article 20: When the chair announces for the discussion of particular motion closed and proceed to vote, several motions may be voted simultaneously, but shall vote separately.
- Article 21: The venue for a Shareholders Meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a Shareholders Meeting. The meeting may begin no earlier than 9 a.m. and no

later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

- Article 22: Except as otherwise provided in the Company Act and in the Articles of Incorporation, the passage of a motion shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. If the chair consults without dissent, it shall be deemed as passed its effect shall be the same as that of the vote.
- Article 23: When there is an amendment or an alternative to a motion, the chair shall present the amended or alternative motion together with the original motion and decide the order in which they will be put to a vote. When any one among them is passed, the other motions will then be deemed rejected, and no further voting shall be required.
- Article 24: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under the related laws or regulations.
- Article 25: Regarding the monitoring and counting personnel for the voting on a motion shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
- Article 26: (Deleted)
- Article 27: When a meeting is in progress, the chair may announce a break based on time considerations.
- Article 28: When a meeting is in progress, if there is an air raid warning, earthquake or other force majeure events, the chair shall announce the meeting discontinued at once and evacuate from the meeting place. After the reason of the discontinuation of the meeting is eliminated, the chair shall determine if the meeting shall be continued.
- Article 29: Anything not covered by the Procedure shall be governed by the Company Act, the Articles of Incorporation of the Company and other applicable laws.
- Article 30: This Procedure shall be implemented after the approval of the Shareholders Meeting. The same procedure is applicable to any amendments thereto.

[Appendix III]

Nidec Chaun-Choung Technology Corporation Election of Directors of Board

- Article 1** To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2** Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3** The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
1. Basic requirements and values: Gender, age, nationality, and culture.
 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
 1. The ability to make judgments about operations.
 2. Accounting and financial analysis ability.
 3. Business management ability.
 4. Crisis management ability.
 5. Knowledge of the industry.
 6. An international market perspective.
 7. Leadership ability.
 8. Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
- The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.
- Article 4** The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and

shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

- Article 5** Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 6** The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7** The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8** The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 9** Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10** The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 12 The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

[Appendix IV]

Nidec Chaun-Choung Technology Corporation Shareholdings of Directors

- I. The Company has paid-in capital of NT\$863,433,960 with the outstanding of 86,343,396 shares.
- II. According to Article 26 of the “Securities and Exchange Act” and the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the minimum quantity of shareholdings held by all Directors is 6,907,471 shares.
- III. As of the day on which share transfer is prohibited before the Shareholders Meeting, the individual and total shareholdings of all Directors and Supervisors showed on the list of the shareholders is as follows,

April 23, 2025; Unit: shares

Title	Name	Shareholdings as of the day of prohibition of share transfer	
		Shares Held	Shareholdings Percentage
Chairman	Nidec Corporation Representative: Akihiro Miyoshi	74,514,982	86.30%
Director	Nidec Corporation Representative: Junichi Nagai	74,514,982	86.30%
Director	Nidec Corporation Representative: Yohei Sumikawa	74,514,982	86.30%
Director	Nidec Corporation Representative: Yoshihisa Kitao	74,514,982	86.30%
Director	Nidec Corporation Representative: Eiji Miyamoto	74,514,982	86.30%
Director	Nidec Corporation Representative: Hidetoshi Matsuhashi	74,514,982	86.30%
Director	Nidec Corporation Representative: Shingo Ota	74,514,982	86.30%
Director	Nidec Corporation Representative: Naoto Yamaoka	74,514,982	86.30%
Director	Nidec Corporation Representative: Shinji Takasawa	74,514,982	86.30%
Independent Director	Ke-Wei Hsu	0	0.00%
Independent Director	Wenyeu Wang	0	0.00%
Independent Director	Alex Lien	0	0.00%
Independent Director	Cf Taxcpa	0	0.00%
Total quantity of shares held by all Directors		74,514,982	86.30%