



Nishoku Technology Inc.

General Shareholders' Meeting 2025 Meeting Handbook (Translation)

Meeting type: Physical Shareholders Meeting

Time : 9:00A.M., Thursday, May 29, 2025

Location : Amazing Hall Xinzhuang Branch Theatre C1

Address : No.40, Siyuan Rd., Xinzhuang Dist., New Taipei City, Taiwan (R.O.C.)

Note to Readers :

If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.

Nishoku Technology Inc.
Handbook for the 2025 Annual Meeting of Shareholders

Table of Contents	<u>Page</u>
I. Meeting Procedure	01
II. Meeting Agenda	
1. Report Items	02
2. Acknowledgments	04
3. Discussion Items	05
4. Election Items	06
5. Other Items.....	07
6. Extemporaneous Motions	08
7. Adjournment	08
III. Appendix	
1. 2024 Business Report	09
2. Audit Committee's Review Report	13
3. Independent Auditors' Report and 2024 Financial Statements	14
4. Independent Auditors' Report and 2024 Consolidated Financial Statements	21
5. 2024 Earnings Distribution Table	29
6. Comparison Table for the "Articles of Incorporation" Before and After Revision.....	30
7. List of Director and Independent Director Candidates	32
8. Positions concurrently held by the director (including independent director) candidates.	39
9. "Rules and Procedures of Meetings of Shareholders"	41
10. "Articles of Incorporation " (Before amendment)	51
11. "Methods for Election of Directors"	56
12. Shareholding of Directors	59

[Meeting Procedure]

Meeting type: Physical Shareholders Meeting

Time: 9:00 a.m. on Thursday, May 29, 2025

Location: Amazing Hall, Xinzhuang Branch

(Theater C1, No. 40, Siyuan Rd., Xinzhuang Dist., New Taipei City, Taiwan)

1. Call the Meeting to Order

2. Chairperson's Remark

3. Report Items

- (1) 2024 Business Reports
- (2) Audit Committee's Review Reports
- (3) Report of all endorsements and guarantees tendered in 2024
- (4) Report on 2024 Directors' and Employees' remunerations
- (5) Report on the Distributions of the Cash Dividends for 2024

4. Acknowledgments

- (1) Adoption of the 2024 Business Report and Financial Statements
- (2) Adoption of the Proposal for Distribution of 2024 Earnings

5. Discussion Items

- (1) Amendment to the "Articles of Incorporation"

6. Election Items

Election of nine Directors (including three Independent Directors)

7. Other Items

- (1) Exemption of the limitation of non-competition on the directors of the Company

8. Extemporaneous Motions

9. Adjournment

[Report Items]

Report No. 1

The 2024 Business Report

Explanation:

The 2024 Business Report is attached as Appendix I.

Report No. 2

Audit Committee's Review Reports

Explanation:

The 2024 Audit Committee's Review Report is attached as Appendix II.

Report No. 3

Report of all endorsements and guarantees tendered in 2024

Explanation:

The Status Of Endorsement And Guarantee of the company and its subsidiaries in 2024 is stated as follows:

December 31, 2024 Unit: NT\$ thousand

Company Name Of Endorser	Endorseees		Balance Of Endorsements -End	Accumulative Endorsement as a Percentage of current net worth (%)
	Company Name	Relation		
Nishoku Technology Inc.	NISHOKU TECHNOLOGY VIETNAM Co., Ltd.	Subsidiary, 100% owned by Nishoku Technology Inc.	1,550,731	31.12%
Total (the Company)			1,550,731	

- The endorseees are all subsidiaries to be directly or indirectly 100% owned by Nishoku Technology Inc. The purposes of endorsements and guarantees for subsidiaries are the derivative liabilities of guarantee resulting from group sharing of credit line of bank.
- In accordance with "Procedures for Endorsement/Guarantees" of Nishoku Technology Inc., the limit of endorsement/guarantees make to subsidiaries in which the Company holds directly or indirectly 100% of the voting shares is not restricted to the limit for endorsement/guarantees to one single entity; provided that it shall not exceed the accumulated total of endorsement/guarantees to other entities. As of Mar. 31, 2025, the balance of the Company's endorsement/ guarantees accounted for 24.68% of the Company's net worth.

Report No. 4

Report on 2024 Directors' and Employees' remunerations

Explanation:

1. Pursuant to Article 20 of the Company's Articles of Incorporation, in circumstances where the Company has an annual profit, the Company shall appropriate remuneration of no less than 1% and no higher than 5% to employees and directors, respectively.
2. The Company's 2024 remuneration to employees and directors has been approved by the Remuneration Committee and the Board are NT\$ 30,000,000 and NT\$ 12,075,000, respectively. The compensations shall be distributed in form of cash.

Report No. 5

Report on the Distributions of the Cash Dividends for 2024

Explanation:

1. Pursuant to Article 20 of the Company's Articles of Incorporation, the Board is authorized to distribute dividends and bonuses in cash after resolution, and submitted such distribution to the shareholders' meeting.
2. The 2024 profit distributable to shareholders totaling NT\$630,222,290 is proposed and approved by special resolution to be distributed in the form of cash only, of NT\$ 10 per share. Cash dividends distributed are rounded down to the nearest NTD 1. The fractional amount is recorded under the Company's other revenue, and the Chairman is authorized to determine the ex-dividend date and distribution date.
3. If the number of shares participating in the distribution is affected by the Company's buying back, transfer of treasury stock, convert or cancellation, or conversion of employee share subscription warrant by issuance or conversion, or cancellation of certain restricted stock awards, and thus requires adjustment to the percentage of dividends distributable in cash, the Chairman is fully authorized to handle such matters.

[Acknowledgment]

Proposal No.1

(Proposed by the Board of Directors)

Adoption of the 2024 Business Report and Financial Statements

Explanation:

1. The Company's 2024 financial statements and business report have been approved by the Board. The financial statements have been audited by CPAs Yung-Hua Huang and Sheng-Ho Yu of KPMG, and audit reports have been made accordingly.
2. The 2024 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements are attached in the Meeting Handbook as Appendix 1, 3 and 4.

Resolutions:

Proposal No.2

(Proposed by the Board of Directors)

Adoption of the Proposal for Distribution of 2024 Earnings

Explanation:

1. 2024 net profit of NT\$ 869,118,891 plus the special reserve reversal of NT\$ 129,025,784, and the beginning undistributed earnings was NT\$ 1,675,671,885, the distributable retained earnings is calculated to NT\$ 2,673,816,560. Proposed cash dividend for shareholders NT\$630,222,290 ,NT\$10 per share.(Calculated based on the number of circulating shares on 2025/2/27)
2. The 2024 Earnings Distribution Table is attached in the Meeting Handbook as Appendix 5.

Resolution:

[Discussion Items]

Proposal No.1

(Proposed by the Board of Directors)

Amendment to the “Articles of Incorporation”

Explanation:

1. Handled in accordance with the Order of the Financial Supervisory Commission, Jin-Guan-Zheng-Fa-Zi No. 1130385442, dated November 8, 2024, an additional requirement to Paragraph 6, Article 14 of the Securities and Exchange Act is complemented as that when a company whose stock is listed for trading on a stock exchange or over-the-counter securities exchange, shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees; therefore, part of the provisions of the Articles of Incorporation are amended for compliance.
2. The Comparison Table Before and After Amendment to the “Articles of Incorporation” attached in the Meeting Handbook as Appendix 6.

Resolution:

[Election Items]

Proposal No.1

(Proposed by the Board of Directors)

Election of nine directors (including three independent directors)

Explanation:

1. The term of the directors of the 15th Term expires on June 14, 2025; per the Articles of Incorporation, the re-election shall be requested to the shareholders' meeting.
2. According to the Articles of Incorporation, nine directors (including three independent directors) shall be elected, The term of office for the new independent directors and directors is from May 29, 2025 to May 28, 2028, for three years.
3. Election of independent directors was done applying the nomination system. They were elected from the list of independent directors during the shareholders' meeting. Independent and non-independent directors were elected together but the votes were counted separately.
4. The list of the company's Directors candidates (including independent directors) has been reviewed and approved at the meeting of the Board of Directors. Please refer to Appendix 7 of the handbook.
5. Please refer to Appendix 3 of the handbook for the Methods for Election of Directors.

Resolution:

[Other Items]

Proposal No.1

(Proposed by the Board of Directors)

Exemption of the limitation of non-competition on the directors of the Company

Explanation:

1. Pursuant 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. “
2. Where the new directors after the re-election (if a corporate shareholder is elected as a director, including the corporate shareholder and the representative appointed) invest or operate other companies with identical or similar business scope as the Company and serving as directors, with the premise that the Company’s interest is not damaged, it is requested, pursuant to laws, to the shareholder meeting, to release the new directors (if a corporate shareholder is elected as a director, including the corporate shareholder and the representative appointed) from the non-compete restrictions.
- 3 The position details of directors (including independent directors) who hold positions with other companies are attached in the Meeting Handbook as Appendix 8

Resolution:

[Extemporary Motions]

[Adjournment]

Nishoku Technology Inc. 2024 Business Report

1. The 2024 Business result:

(1) Performance Of Business Plan

In 2024, the global economy showed a certain resilience, and major economies demonstrate the ability of recovery under multiple challenges. The US economy continuously grew strongly, while China is maintaining the economic growth through the currency policy adjustments and stimulus to domestic demand, while Europe faced multiple challenges. However, structural problems and political uncertainty still have pressures on the global economy, becoming the uncertainties that affect growth.

With the uncertainties of macroeconomic environment, the Company's revenue and profit still outperformed in 2024. The Company's 2024 consolidated operating revenue totaled NT\$4.259 billion, a year-on-year increase of 21%, and our annual gross margin increased to 31%; our earnings per share after tax were NT\$13.85, a year-on-year increase of NT\$6.08.

Unit: NT\$ thousand

Item \ Year	2024	2023	Percentage of change (%)
Net operating income	4,259,658	3,508,729	21%
Operating cost	2,944,014	2,592,872	14%
Gross profit	1,315,644	915,857	44%
Operating profit	822,855	471,260	75%
Non-Operating Income	425,255	199,541	113%
Profit before tax	1,248,110	670,801	86%
Profit after tax	869,119	487,097	78%
Gross profit (%)	31%	26%	
Operating profit (%)	19%	13%	

(2) Status of Budget Execution

Not available as Nishoku Technology Inc. had not declared 2024 financial forecast.

(3) Financial Receipt and Expenditure, and Profitability Analysis

Items of analysis		2024	2023
Financial Structure & Solvency	Current ratio (%)	240.63	209.54
	Quick ratio (%)	223.05	194.64
	Interest coverage ratio	25.21	13.00
	Debt to assets ratio (%)	44.20	47.82
Profitability	ROA (%)	10.43	6.10
	Return on shareholders' equity (%)	18.43	10.71
	Income before tax as a percentage of paid-in capital (%)	198.04	106.41
	Net profit rate (%)	20.40	13.88
	After tax EPS (NTD)	13.85	7.77

(4) Status of R&D

The Company continuously deepens the technology R&D, other than discussing with the end customers about the design in aim to grasp the opportunities, the Company also has been dedicating itself in studying the key technologies and new production capabilities. Coupling of existing mature technologies, as well as adoption of latest developed new material, the Company has extended the technology to multiple compound production process and continued to develop new production processes. By actively investing in AI and other advanced equipment, the quality and output of products are greatly enhanced.

In terms of application, the Company has successfully developed a number of compound process technologies, such as fiber fabric and R&D of carbon fiber hot press integrating with injection molding process, laser engraving and spraying, and other compound process combination, to integrate the engineering plastic products for precision processing to replace metal parts and achieve the goal of lightweight and high-strength parts. In addition, the materials such as TPR, TPU and LSR are also widely used to improve the appearance and functions of products, such as waterproof and anti-slip. Meanwhile, the Company also promotes the insert molding technology of FPC and plastic parts to meet the precision manufacturing needs of electronic products.

The introduction of these technologies not only provides customers with more diversified, refined and functional product choices, but also improves process efficiency,

reduces subsequent processing costs, to further creates higher profit value, and lays the foundation for future competitive advantages.

2. 2024 Business Prospects

(1) Business strategy

- i. Increase the production capacity of Vietnam plant and accelerate vertical integration in response to the opportunity of order transfers ◦
- ii. Introduce the environmentally friendly processes and use environmentally friendly materials to improve the Company's competitiveness as a green industry.
- iii. Accelerate the development of key strategic talent, and incorporate ESG performance into the performance reward/incentive system. In addition to strengthening human capital, it also improves the core competitiveness of the Company's sustainable operation.
- iv. Continue to effectively implement cost control, strive to create a higher shareholder value.

(2) Forecast of Sales Quantity and Its Basis

The Company took into the account the the overall external environmental changes and future developments in the estimation of future sales volume, based on which, the Company formulates with reference to past business operation, Company's current status and future development trend. As the Company does not disclose its 2024 financial forecast, the estimated sales volume shall not be disclosed.

(3) Policies on Production and Marketing

- i. Continue to improve production process capability and yield, and enhance cost control and inventory management ◦
- ii. Actively develop new market applications, expand product width, and maintain the market competitiveness.
- iii. Continue to expand global product lines and sales regions to reduce the operational risk of excessively concentrated product development.

3. Future Developing Strategies of Company

In face of the rapid changes and challenges of the domestic and international environment, the future development strategies are as follows:

- i. To respond to the reorganization of the global supply chain, the production base in Vietnam has been expanded, to meet the order shifting demands.
- ii. Improve the green manufacturing capabilities, to deepen and widen the core competitiveness of Company.

- iii. Continue the promotion of automated processes to improve efficiency and optimize manpower.
- iv. Deepen the compound process for the integration of the midstream and downstream industry chains to create comprehensive synergies and enhance the overall competitive advantages.

4. Impacts of the external competitive environment, regulatory environment, and the overall business environment

As the global economy enters 2025, countries will face multiple challenges, and the economic growth may slow down. According to the forecast of the United Nations, the global economic growth rate is expected to be 2.8% in 2025, indicating that the overall economic development will be stable, but the speed will slow down.

In the major economies, the US and China will still be the key drivers of global economic growth. However, the economic growth rate in the US may drop from 2.8% in 2024 to 1.9%, reflecting the impact of adjustment of monetary policies and changes in market demand. Meanwhile, China's economic growth is expected to drop slightly from 4.9% to 4.8%, mainly due to the impact of domestic demand adjustment and changes in the external trading environment. The EU, Japan and UK are expected to experience moderate economic recovery, but the growth rate is still affected by the global market volatility and policy adjustments.

In 2025, the Company stays prudent and conservative to embrace the future economic and politic changes, and continues to commit to the integration of group resources and organizations to improve internal efficiency and strengthen risk management to meet future challenges with a stable operating robustness. Moreover, the Company lay emphasis on the dynamics of the external competitive environment to respond to changes in the market environment and fully grasp the changes in relevant regulations. We stay prepared and take appropriate response measures to reduce the operational risks of future industry and overall environmental changes.

Nishoku Technology Inc.

Chairman	Chen, Piao-Fu
General Manager	Tsai, Chien-Sheng
Accounting Head	Lin, Tzu-Hsuan

Audit Committee's Review Report

Date: February 27, 2025

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements, and proposal for allocation of earnings. The CPA firm of KPMG was retained to audit the Company's Individual and Consolidated Financial Statements and has issued an unmodified opinion. The aforementioned Business Report, Financial Statements, and proposal for allocation of earnings have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to relevant requirements of the Securities and Article 14-4 Exchange Act and the Article 219 of Company Act., we hereby submit this report.

Sincerely,

The 2025 Annual Meeting of Shareholders

Nishoku Technology Inc.

Convener of the Audit Committee: Lin, Horng-Chang



安侯建業聯合會計師事務所
KPMG

台北市11049信義路5段7號68樓(台北101大樓)
68F, TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)

Telephone 電話 + 886 (2) 8101 6666
Fax 傳真 + 886 (2) 8101 6667
Internet 網址 kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Nishoku Technology Inc.:

Opinion

We have audited the financial statements of NISHOKU TECHNOLOGY INC.(“the Company”), which comprise the balance sheet as of December 31, 2024 and 2023, the statement 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 policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 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 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 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. Key audit matters for the Company’ s financial statements are stated as follows:

Investments accounted for using equity method

Please refer to Note 4(h) “Investments in subsidiaries” and Note 5 “Significant accounting assumptions and judgments, and major sources of estimation uncertainty” of the financial statements.

Description of key audit matter

The Company’ s investments accounted for using equity method are all subsidiaries of the Company. Based on the scope and nature of their businesses which may influence the outcome of their operations, the impairment assessment of accounts receivable, and net realizable value of inventories in certain subsidiaries required the Managements to make subjective judgments, which is the major source of estimation uncertainty. Therefore, the impairment assessment of accounts receivable, and valuation of inventories of the investments accounted for using equity method are the key audit matters for our audit

How the matter was addressed in our audit :

Our principal audit procedures on the impairment assessment of accounts receivable of the investments accounted for using equity method included assessing whether the impairment of accounts receivable has been set aside in accordance with the Company' s policy, including inquiring from the Management if they had identified the debtors who have financial difficulties ; selecting a moderate number of samples from the account aging statements to ensure the accuracy of the statements, and understanding the reason on overdue accounts; assessing the uncollectable accounts receivable for the appropriateness of impairment assessment of accounts receivable; assessing the appropriateness and adequacy for doubtful accounts made by the management based on the subsequent collection of accounts receivable. With respect to the evaluation of inventories, our principal audit procedures included: to understand whether the accounting policy for inventory evaluation is consistency with the Company; examine the accuracy of the aging of inventories by sampling and analyses the changes of the aging of inventories by comparison; retroactively inspecting the reasonability for allowance provided on inventory valuation in the past and compare it to the current year to ensure that the measurements and assumptions are reasonable; sampling the inventories sold in the subsequent period to assess whether the allowance for inventories are reasonable.

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 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 Huang, Yung-Hua and Yu, Sheng-Ho.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2025

Notes to Readers

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

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

(English Translation of Financial Statements Originally Issued in Chinese.)
NISHOKU TECHNOLOGY INC.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2024		December 31, 2023		Liabilities and Equity		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$	326,721	4	493,857	7	2100	Short-term borrowings (note 6(i))	\$	1,085,000	13
1110	Current financial assets at fair value through profit or loss (note 6(b))		40,109	-	35,006	-	2170	Notes and accounts payable		123,964	2
1170	Accounts receivable, net (notes 6(c) and 7)		340,558	5	207,661	3	2180	Accounts payable to related parties (note 7)		95,313	1
130X	Inventories (note 6(d))		17,015	-	9,403	-	2230	Current tax liabilities		100,955	1
1136	Current financial assets at amortised cost, net (note 6(e))		454,794	6	-	-	2280	Current lease liabilities (note 6(k))		3,355	-
1470	Other current assets (note 7)		35,339	-	22,824	-	2300	Other current liabilities (note 6(r))		119,424	1
1476	Other current financial assets		204,035	3	188,790	3	2320	Long-term borrowings, current portion (note 6(j))		-	-
			1,418,571	18	957,541	13					
Non-current assets:						Non-Current liabilities:					
1510	Non-current financial assets at fair value through profit or loss (note 6(b))		182,599	2	203,426	3	2540	Long-term borrowings (note 6(j))		800,000	10
1535	Non-current financial assets at amortised cost, net (note 6(e))		1,322,906	16	1,547,894	20	2570	Deferred tax liabilities (note 6(m))		778,803	10
1551	Investments accounted for using equity method (notes 6(f) and 7)		4,852,756	60	4,507,183	60	2580	Non-current lease liabilities (note 6(k))		5,799	-
1600	Property, plant and equipment (note 6(g))		291,223	4	295,608	4					
1755	Right-of-use assets (note 6(h))		9,129	-	2,687	-					
1840	Deferred income tax assets (note 6(m))		14,565	-	22,562	-					
1990	Other non-current assets		4,531	-	240	-					
			6,677,709	82	6,579,600	87					

(English Translation of Financial Statements Originally Issued in Chinese.)

NISHOKU TECHNOLOGY INC.**Statements of Comprehensive Income****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars , Except Earnings Per Share)**

		2024		2023	
		Amount	%	Amount	%
4110	Operating revenues (notes 6(q) and 7)	\$ 1,218,537	100	956,088	100
4170	Less: Sales returns and allowances	438	-	336	-
	Net Operating revenues	1,218,099	100	955,752	100
5000	Operating costs (notes 6(d), (g), (l), 7 and 12)	874,776	72	687,628	72
5910	Less: Unrealized profit (loss) from sales	13,446	1	(15,546)	(2)
	Gross profit from operations	329,877		283,670	
		27		30	
6000	Operating expenses (notes 6(c), (g), (l), (o) and 12)				
6100	Selling expenses	7,249	1	10,185	1
6200	Administrative expenses	150,369	12	137,647	15
6300	Research and development expenses	12,863	1	13,508	1
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	-	-	-	-
		170,481	14	161,340	17
	Net operating income	159,396	13	122,330	13
	Non-operating income and expenses:				
7010	Other income (note 6(s))	116,297	10	119,326	12
7020	Other gains and losses, net (note 6(t))	171,612	14	21,531	2
7050	Finance costs, net (note 6(k))	(36,488)	(3)	(37,686)	(4)
7070	Share of profit of associates and joint ventures accounted for using equity method, net	715,674	59	389,728	41
	Total non-operating income and expenses	967,095	80	492,899	51
7900	Profit before tax	1,126,491	93	615,229	64
7950	Less: Income tax expenses (note 6(m))	257,372	22	128,132	13
	Profit	869,119	71	487,097	51
8300	Other comprehensive income (loss):				
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	161,282	13	(78,435)	(8)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(m))	(32,256)	3	15,687	1
8300	Other comprehensive income (after tax)	129,026	10	(62,748)	(7)
8500	Total comprehensive income	\$ 998,145	81	424,349	44
9750	Basic earnings per share (NT dollars) (note 6(p))	\$ 13.85		7.77	
9850	Diluted earnings per share (NT dollars) (note 6(p))	\$ 13.76		7.71	

(English Translation of Financial Statements Originally Issued in Chinese.)

NISHOKU TECHNOLOGY INC.**Statements of Changes in Equity****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	<u>Share capital</u>		<u>Retained earnings</u>			<u>Other equity</u>		<u>Total equity</u>
	<u>Ordinary shares</u>	<u>Capital surplus</u>	<u>Legal reserve</u>	<u>Special reserve</u>	<u>Unappropriated retained earnings</u>	<u>Exchange differences on translation of foreign financial statements</u>	<u>Unearned stock-based employee compensation</u>	
Balance at January 1, 2023	\$ 630,482	973,766	670,934	344,942	2,313,463	(264,595)	(22,615)	4,646,377
Profit for the year ended December 31, 2023	-	-	-	-	487,097	-	-	487,097
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-	(62,748)	-	(62,748)
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	487,097	(62,748)	-	424,349
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	70,964	-	(70,964)	-	-	-
Special reserve appropriated	-	-	-	(80,347)	80,347	-	-	-
Cash dividends of ordinary share	-	-	-	-	(630,242)	-	-	(630,242)
Retirement of restricted employee stock	(320)	(2,010)	-	-	-	-	2,330	-
Restricted employee stock	240	1,793	-	-	-	-	7,783	9,816
Balance at December 31, 2023	630,402	973,549	741,898	264,595	2,179,701	(327,343)	(12,502)	4,450,300
Profit for the year ended December 31, 2024	-	-	-	-	869,119	-	-	869,119
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	-	129,026	-	129,026
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	869,119	129,026	-	998,145
Appropriation and distribution of retained earnings:								
Special reserve appropriated	-	-	-	62,748	(62,748)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(441,282)	-	-	(441,282)
Cash dividends distributed by capital surplus	-	(31,520)	-	-	-	-	-	(31,520)
Retirement of restricted employee stock	(180)	(1,130)	-	-	-	-	1,310	-
Restricted employee stock	-	-	-	-	-	-	8,024	8,024
Balance at December 31, 2024	\$ 630,222	940,899	741,898	327,343	2,544,790	(198,317)	(3,168)	4,983,667

(English Translation of Financial Statements Originally Issued in Chinese.)

NISHOKU TECHNOLOGY INC.**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	\$ 1,126,491	615,229
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization expense	8,654	8,862
Interest expense	36,488	37,686
Interest income	(116,219)	(116,963)
Remuneration cost of restricted employee stock	8,024	9,816
Share of profit of subsidiaries accounted for using equity method	(715,674)	(389,728)
Gain on financial assets at fair value through profit or loss	(25,916)	(16,838)
Gain on disposal of property, plant and equipment	(3)	–
Unrealized loss (profit) from sales	13,446	(15,546)
Reversal of inventory valuation and obsolescence	(1,668)	(2,799)
Total adjustments to reconcile profit (loss)	(792,868)	(485,510)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable (including related parties)	(132,897)	36,778
Inventories	(5,944)	7,820
Other current assets and other financial assets	(17,278)	(4,406)
	(156,119)	40,192
Changes in operating liabilities:		
Notes and accounts payable (including related parties)	77,486	(67)
Other current liabilities	3,858	(10,606)
	81,344	(10,673)
Total changes in operating assets and liabilities	(74,775)	29,519
Total adjustments	(867,643)	(455,991)
Cash inflow generated from operations	258,848	159,238
Interest received	110,704	116,734
Interest paid	(36,422)	(37,639)
Income taxes paid	(177,141)	(151,133)
Net cash flows from operating activities	155,989	87,200
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(229,805)	(75,975)
Proceeds from disposal of financial assets at fair value through profit or loss	41,640	–
Acquisition of investments accounted for using equity method	(126,040)	(188,160)
Cash dividends from investments accounted for using equity method	643,977	391,684
Refund of capital reduction from subsidiary	–	336,500
Acquisition of property, plant and equipment	(1,774)	(1,106)
Proceeds from disposal of property, plant and equipment	3	–
Decrease (increase) in other receivables due from related parties	(9,731)	29,539
Decrease in refundable deposits	600	–
Increase in other non-current assets	(373)	(280)
Net cash flows from investing activities	318,497	492,202
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	85,000	150,000
Repayments of long-term borrowings	(250,000)	(300,000)
Payment of lease liabilities	(3,820)	(4,045)
Cash dividends paid	(472,802)	(630,242)
Net cash flows used in financing activities	(641,622)	(784,287)
Net decrease in cash and cash equivalents	(167,136)	(204,885)
Cash and cash equivalents at beginning of period	493,857	698,742
Cash and cash equivalents at end of period	\$ 326,721	493,857



安侯建業聯合會計師事務所
KPMG

台北市11049信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)

Telephone 電話 + 886 (2) 8101 6666
Fax 傳真 + 886 (2) 8101 6667
Internet 網址 kpmg.com/tw

To the Board of Directors of Nishoku Technology Inc.:

Opinion

We have audited the consolidated financial statements of Nishoku Technology Inc. and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, the consolidated statement 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. Key audit matters for the Group’ s financial statements are stated as follows:

1. Impairment of accounts receivable

Please refer to Note 4(g) “Financial instruments” Note 5(a) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty” of the consolidated financial statements.

Description of key audit matter:

The Group engages in business primarily with clients which are involved in the manufacture of mold and electronic parts with credit term, which make the Group vulnerable to credit risk. The default of the client may lead to impairment loss of the receivables. The assessment of impairment loss involves subjective judgments of the management, which is the major source of estimation uncertainty. Therefore, this whole matter needed to be taken into serious consideration.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing whether the Group's impairment of accounts receivable has been set aside in accordance with the Group's policy, including inquiring from the management if they had identified the debtors who have financial difficulties; selecting a moderate number of samples from the account aging statements to ensure the accuracy of the statements, and understanding the reason on overdue accounts; assessing the uncollectable accounts receivable for the appropriateness of impairment assessment of accounts receivable; assessing the appropriateness and adequacy for doubtful accounts made by the management based on the subsequent collection of accounts receivable.

2. Impairment of inventory

Please refer to Note 4(h) "Inventory", Note 5(b) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" of the consolidated financial statements.

Description of key audit matter:

Evaluation of inventory is one of the key judgmental areas for our audit, the Group is primarily involved in the design, manufacture, and sale of mold and electronic parts. As different series or models of electronic products are rapidly being replaced by new ones, it may impact the inventory of the older ones to be slow-moving, or worse yet, stagnant; thus, may result the cost of inventory to be higher than the net realized value. The assessment of impairment loss requires subjective judgments of the management, which is the major source of estimation uncertainty. Therefore, this whole matter needed to be taken into serious consideration.

How the matter was addressed in our audit:

Our principal audit procedures included: understanding the inventories valuation policies of the Group; inspecting whether those policies are applied; examine the accuracy of the aging of inventories by sampling and analyses the changes of the aging of inventories by comparison; retroactively inspecting the reasonability for allowance provided on inventory valuation in the past and compare it to the current year to ensure that the measurements and assumptions are reasonable; sampling the inventories sold in the subsequent period to assess whether the allowance for inventories are reasonable.

Other Matter

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

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

Those charged with governance (including the Audit 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 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 Huang, Yung-Hua and Yu, Sheng-Ho.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2025

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023 (After Restatement)				December 31, 2024		December 31, 2023 (After Restatement)			
		Amount	%	Amount	%			Amount	%	Amount	%		
Assets													
Current assets:													
1100	Cash and cash equivalents (note 6(a))	\$	3,351,920	38	3,535,076	42	2100	Short-term borrowings (note 6(h))	\$	1,248,925	14	1,368,460	16
1110	Current financial assets at fair value through profit or loss (note 6(b))		45,385	1	40,109	-	2170	Notes and Accounts payable		572,770	6	469,999	6
1170	Notes and accounts receivables, net (note 6(c))		1,406,130	16	1,189,635	14	2280	Current lease liabilities (note 6(j))		3,355	-	23,348	-
1137	Current financial assets at amortised cost (note 6(e))		454,794	5	-	-	2300	Other current liabilities (note 6(n))		538,642	6	409,115	5
130X	Inventories (note 6(d))		401,968	4	351,253	5	2322	Long-term borrowings, current portion (note 6(i))		-	-	200,000	2
1470	Other current assets		16,014	-	34,448	-				2,363,692	26	2,470,922	29
1476	Other current financial assets (note 8)		11,479	-	27,149	-							
			5,687,690	64	5,177,670	61							
Non-current assets:													
1511	Non-current financial assets at fair value through profit of loss (note 6(b))		182,599	2	203,426	2	2540	Long-term borrowings (note 6(i))		800,000	9	850,000	10
1535	Non-current financial assets at amortised cost (note 6(e))		1,322,906	15	1,547,894	18	2570	Deferred tax liabilities (note 6(l))		778,803	9	733,090	9
1600	Property, plant and equipment (note 6(f))		1,574,471	17	1,420,753	17	2580	Non-current lease liabilities (note 6(j))		5,799	-	22,167	-
1755	Right-of-use assets (note 6(g))		9,129	-	44,772	1	2670	Other non-current liabilities, others		-	-	3,028	-
1840	Deferred income tax assets (note 6(l))		15,443	-	38,349	-				1,584,602	18	1,608,285	19
1985	Long-term prepaid rents		64,522	1	63,181	1				3,948,294	44	4,079,207	48
1990	Other non-current assets		75,201	1	33,462	-							
			3,244,271	36	3,351,837	39							
Total assets		\$	8,931,961	100	8,529,507	100							

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

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars , Except Earnings Per Share)**

		2024		2023	
		Amount	%	Amount	%
4110	Operating revenues (note 6(p))	\$ 4,336,384	102	3,567,359	102
4170	Less: Sales returns and allowances	76,726	2	58,630	2
	Net Operating revenues	4,259,658	100	3,508,729	100
5000	Operating costs (notes 6(d), (f), (g), (k) and 12)	2,944,014	69	2,592,872	74
	Gross profit from operations	1,315,644	31	915,857	26
6000	Operating expenses: (notes 6(c), (f), (g), (k), (n), (q) and 12)				
6100	Selling expenses	65,160	2	63,593	2
6200	Administrative expenses	332,625	8	298,646	9
6300	Research and development expenses	95,866	2	81,061	2
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	(862)	-	1,297	-
		492,789	12	444,597	13
	Net operating income	822,855	19	471,260	13
	Non-operating income and expenses:				
7010	Other income (note 6(r))	210,247	5	197,048	6
7020	Other gains and losses, net (note 6(s))	266,569	6	58,380	2
7050	Finance costs, net (note 6(j))	(51,561)	(1)	(55,887)	(2)
	Total non-operating income and expenses	425,255	10	199,541	6
7900	Profit before tax	1,248,110	29	670,801	19
7950	Less: Income tax expenses (note 6(l))	378,991	9	183,704	5
	Profit	869,119	20	487,097	14
8300	Other comprehensive income (loss):				
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	161,282	4	(78,435)	(2)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(l))	(32,256)	(1)	15,687	-
8300	Other comprehensive income (after tax)	129,026	3	(62,748)	(2)
8500	Total comprehensive income	\$ 998,145	23	424,349	12
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	\$ 869,119	20	487,097	14
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 998,145	23	424,349	12
9750	Basic earnings per share (NT dollars) (note 6(o))	\$ 13.85		7.77	
9850	Diluted earnings per share (NT dollars) (note 6(o))	\$ 13.76		7.71	

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

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent							Total equity attributable to owners of parent	Total equity
	Share capital		Retained earnings			Unappropriated retained earnings	Total other equity Exchange differences on translation of foreign financial statements		
	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve				
Balance at January 1, 2023	\$ 630,482	973,766	670,934	344,942	2,313,463	(264,595)	(22,615)	4,646,377	4,646,377
Profit for the year ended December 31, 2023	–	–	–	–	487,097	–	–	487,097	487,097
Other comprehensive income for the year ended December 31, 2023	–	–	–	–	–	(62,748)	–	(62,748)	(62,748)
Total comprehensive income for the year ended December 31, 2023	–	–	–	–	487,097	(62,748)	–	424,349	424,349
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	–	–	70,964	–	(70,964)	–	–	–	–
Special reserve appropriated	–	–	–	(80,347)	80,347	–	–	–	–
Cash dividends of ordinary share	–	–	–	–	(630,242)	–	–	(630,242)	(630,242)
Retirement of restricted employee stock	(320)	(2,010)	–	–	–	–	2,330	–	–
Restricted employee stock	240	1,793	–	–	–	–	7,783	9,816	9,816
Balance at December 31, 2023	630,402	973,549	741,898	264,595	2,179,701	(327,343)	(12,502)	4,450,300	4,450,300
Profit for the year ended December 31, 2024	–	–	–	–	869,119	–	–	869,119	869,119
Other comprehensive income for the year ended December 31, 2024	–	–	–	–	–	129,026	–	129,026	129,026
Total comprehensive income for the year ended December 31, 2024	–	–	–	–	869,119	129,026	–	998,145	998,145
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	–	–	–	62,748	(62,748)	–	–	–	–
Cash dividends of ordinary share	–	–	–	–	(441,282)	–	–	(441,282)	(441,282)
Cash dividends distributed by capital surplus	–	(31,520)	–	–	–	–	–	(31,520)	(31,520)
Retirement of restricted employee stock	(180)	(1,130)	–	–	–	–	1,310	–	–
Restricted employee stock	–	–	–	–	–	–	8,024	8,024	8,024
Balance at December 31, 2024	\$ 630,222	940,899	741,898	327,343	2,544,790	(198,317)	(3,168)	4,983,667	4,983,667

NISHOKU TECHNOLOGY INC. 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	\$ 1,248,110	670,801
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization expense	218,267	238,912
Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	(862)	1,297
Reversal of provision for bad debt expense	(34,927)	(38,081)
Interest expense	51,561	55,887
Net gain arising from derecognition of financial assets measured at amortised cost	(26,089)	(16,953)
Interest income	(196,282)	(183,903)
Compensation cost of restricted stock awards for employees	8,024	9,816
Gain on disposal of property, plant and equipment	(11,185)	(12,520)
Others	2,706	-
Total adjustments to reconcile profit	11,213	54,455
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivables	(215,633)	(6,968)
Inventories	(15,788)	138,647
Other current assets and financial assets	25,453	4,222
	(205,968)	135,901
Changes in operating liabilities:		
Notes and accounts payables	102,771	(45,028)
Other current liabilities	12,536	3,507
	115,307	(41,521)
Total adjustments	(79,448)	148,835
Cash inflow generated from operations	1,168,662	819,636
Interest received	211,240	165,249
Interest paid	(52,808)	(53,774)
Income taxes paid	(235,148)	(210,047)
Net cash flows from operating activities	1,091,946	721,064
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(229,805)	(75,975)
Proceeds from disposal of financial assets at fair value through profit or loss-non current	41,640	-
Acquisition of property, plant and equipment	(351,250)	(206,038)
Proceeds from disposal of property, plant and equipment	25,788	47,320
Decrease (increase) in refundable deposits	(1,846)	625
Increase in other non-current assets	(14,325)	(11,984)
Net cash flows used in investing activities	(529,798)	(246,052)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(119,535)	211,360
Repayments of long-term borrowings	(250,000)	(300,000)
Increase (decrease) in guarantee deposits	(3,028)	1,162
Payments of lease liabilities	(9,267)	(25,519)
Cash dividends paid	(472,802)	(630,242)
Net cash flows used in financing activities	(854,632)	(743,239)
Effect of exchange rate changes on cash and cash equivalents	109,328	(62,695)
Net decrease in cash and cash equivalents	(183,156)	(330,922)
Cash and cash equivalents at beginning of period	3,535,076	3,865,998
Cash and cash equivalents at end of period	\$ 3,351,920	3,535,076

Nishoku Technology Inc.

2024 Earnings Distribution Table

Unit: NTD

Item	Amount
Beginning retained earnings	1,675,671,885
Add: Current year net income after tax	869,118,891
Add: Special reserve reversal	129,025,784
Earnings to be allocated	2,673,816,560
Total Distribution :	
Cash dividend to shareholders (NT\$ 10/ share)	(630,222,290)
Closing undistributed earnings	2,043,594,270

Chairman: Chen, Piao-Fu

General Manager: Tsai, Chien-Sheng

Accounting Head: Lin, Tzu-Hsuan

Comparison Table for the "Articles of Incorporation" Before and After Revision

After revision	Before revision	Notes
<p><u>Article 20</u></p> <p>In case the company has yearly profit, at least 1% shall be appropriated as staff reward and no more than 5% as rewards for directors and supervisors. However, the company's accumulated losses shall first have been covered.</p> <p>In the amount of <u>employees' remuneration as mentioned in the preceding paragraph, no less than 20% of the amount shall be distributed as remuneration to non-executive employees.</u> Employees' remunerations may be paid in the form of stock or cash, the objects of payment shall consist of employees of controlling and affiliated company meeting certain criteria determined by the Board. The preceding rewards for directors and supervisors shall only be paid by cash dividends.</p> <p>The preceding 2 items shall be <u>resolved in a board meeting attended by two-thirds of the Directors and a majority of the vote before implementation.</u> And the shareholders meeting shall be reported.</p> <p>(Below Omitted)</p>	<p><u>Article 20</u></p> <p>In case the company has yearly profit, at least 1% shall be appropriated as staff reward and no more than 5% as rewards for directors and supervisors. However, the company's accumulated losses shall first have been covered.</p> <p>The preceding staff reward shall be paid by stock shares or cash dividends. The objects of payment shall consist of employees of controlling and affiliated company meeting certain criteria determined by the Board. The preceding rewards for directors and supervisors shall only be paid by cash dividends.</p> <p>The preceding 2 items shall be resolved by the Board before execution. And the shareholders meeting shall be reported.</p> <p>(Below Omitted)</p>	<p>1. Subparagraph 2 is amended in accordance with Paragraph 6, Article 14-6 of the Securities and Exchange Act.</p> <p>2. It is specified that when the Company amends Paragraph 1 and 2 of Article 20, the amendments shall be resolved by a majority of the vote in a board meeting attended by two-thirds of the Directors (i.e. special approval).</p>
<p>Article 22</p> <p>This article was made on May 20, 1980. 1st revision was made on Nov. 10, 1983. 2nd revision was made on Jun. 15, 1984. 3rd revision was made on Aug. 12, 1987. 4th revision was made on Jun. 9, 1988. 5th revision was made on Mar. 14, 2000. 6th revision was made on Nov. 18, 2002. 7th revision was made on Jun. 30, 2007. 8th revision was made on Jan. 18, 2008. 9th revision was made on Mar. 19, 2008. 10th revision was made on Dec. 26, 2008. 11th revision was made on Jun. 30, 2010. 12th revision was made on Jun. 24, 2011.</p>	<p>Article 22</p> <p>This article was made on May 20, 1980. 1st revision was made on Nov. 10, 1983. 2nd revision was made on Jun. 15, 1984. 3rd revision was made on Aug. 12, 1987. 4th revision was made on Jun. 9, 1988. 5th revision was made on Mar. 14, 2000. 6th revision was made on Nov. 18, 2002. 7th revision was made on Jun. 30, 2007. 8th revision was made on Jan. 18, 2008. 9th revision was made on Mar. 19, 2008. 10th revision was made on Dec. 26, 2008. 11th revision was made on Jun. 30, 2010. 12th revision was made on Jun. 24, 2011.</p>	<p>Added no. and date of amendment</p>

After revision	Before revision	Notes
13th revision was made on Jun. 15, 2012. 14th revision was made on Jun. 15, 2012. 15th revision was made on Jun. 14, 2013. 16th revision was made on Jun. 7, 2016. 17th revision was made on Jun. 14, 2017. 18th revision was made on Jun. 18, 2019. 19th revision was made on Jun. 16, 2020. 20th revision was made on Jun. 15, 2022. <u>21th revision was made on May. 29, 2025.</u>	13th revision was made on Jun. 15, 2012. 14th revision was made on Jun. 15, 2012. 15th revision was made on Jun. 14, 2013. 16th revision was made on Jun. 7, 2016. 17th revision was made on Jun. 14, 2017. 18th revision was made on Jun. 18, 2019. 19th revision was made on Jun. 16, 2020. 20th revision was made on Jun. 15, 2022.	

Nishoku Technology Inc.

Appendix 7

List of Director and Independent Director Candidates

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
1	15091	Jing Hong Investment Limited Rep.: Chen, Piao-Fu	Male	<p>Education: Lee-Ming College of Technology</p> <p>Selected Current Positions: Chairman of Nishoku Technology Inc. Chairman of SAME START LIMITED Chairman of Nishoku Hong Kong Holding Limited Director of SUN NICE LIMITED(SAMOA) Director of Nishoku Boueki Co., Ltd. Chairman of Nishoku Technology Vietnam Co., Ltd. Director of Kunshan Nishoku Plastic ElectronicCo., Ltd Director of SUN NICE LIMITED(B.V.I)</p> <p>Experience: QC supervisor of Sampo Corporation QC Assistant Manager of Dixing Industrial Co., Ltd.</p>	Director	3,600,000	Not applicable

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
2	27	Heng Sheng Investment Limited Rep.: Tsai, Chien-Sheng	Male	<p>Education: EMBA, Institute of Management, National Taiwan University</p> <p>Selected Current Positions: President of Nishoku Technology Inc. Director of SAME START LIMITED Director of Nishoku Hong Kong Holding Limited Chairman of SUN NICE LIMITED(SAMOA) Director of Nishoku Boueki Co., Ltd. Director of Nishoku Technology Vietnam Co., Ltd. Chairman of Kunshan Nishoku Plastic Electronic Co., Ltd. Chairman of SUN NICE LIMITED(B.V.I)</p> <p>Experience: Engineering Supervisor of Dixing Industrial Co., Ltd.</p>	Director	2,263,956	Not applicable

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
3	21	Cyuan Guan Investment Limited Rep.: Chang, Wen-Hsien	Male	<p>Education: Ta Hwa Technical College</p> <p>Selected Current Positions: Executive Vice President of Nishoku Technology Inc. Supervisor of Nishoku Boueki Co., Ltd. Director of SAME START LIMITED Director of Nishoku Hong Kong Holding Limited Director of SUN NICE LIMITED(SAMOA) Director of Nishoku Technology Vietnam Co., Ltd. Director of Kunshan Nishoku Plastic ElectronicCo., Ltd Director of SUN NICE LIMITED(B.V.I)</p> <p>Experience: Manufacturing Supervisor of Dixing Industrial Co., Ltd.</p>	Director	1,855,308	Not applicable

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
4	15090	Ji Teng Investment Limited Rep.: Wu, Ying-Lan.	Female	Education: Ming Chuan College Selected Current Positions: Chairman of Nishoku Boueki Co., Ltd. Vice President of Nishoku Technology Inc. Supervisor of Ji Teng Investment Limited Experience: Chairman of Nishoku Boueki Co., Ltd.	Director	4,500,000	Not applicable
5	22	Jhan Yu Investment Limited. Rep.: Hsieh, Hsin-I	Male	Education: MBA of International University of Monaco Selected Current Positions: Principal of Zhanyu Investment Co., Ltd. Person in Charge, Yi Feng Investment Co., Ltd. Experience: Sales of Spring Machinery Company Sales Manger of Well-achieve Co., Ltd.	Director	2,683,082	Not applicable

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
6	31	Chang Shun Investment Limited. Rep.: Fan, Chia-Wen	Female	Education: EMBA of Chang Gung University Selected Current Positions: CFO of Changshun Investment Co., Ltd Experience: Flight attendants of EVA Air	Director	2,705,932	Not applicable
7	-	Lin, Horng Chang	Male	Education: MBA of George Washington University EMBA, Institute of Management, National Taiwan University Selected Current Positions: Director of GREENYN BIOTECHNOLOGY CO., LTD Independent Director of COPLUS INC. Independent Director of TOPLUS GLOBAL CO., LTD. CEO of PHARMIGENE, INC. Experience: CFO of	Independent Director	0	No

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
				HEALTHCONN CORP. Financial Senior Manager and Spokeman of Senao International Co., Ltd			
8	-	Wang, Chih-Cheng	Male	Education: EMBA, Institute of Management, National Taiwan University Selected Current Positions: President, PWM Consultancy Inc. Independent Director of PROVISION INFORMATION CO., LTD. Experience: GM of INVENTEC CORPORATION	Independent Director	0	No
9	-	Tsai, Chih-Chieh	Male	Education: MBA, National Taipei University Electrophysics, National Chiao Tung University Selected Current Positions: CPA of Jianda United Accounting Chairman of Jaydon Production and Economic	Independent Director	0	No

Serial No.	Account No.	Name	Gender	Major education and experience	Type of nominee	Number/ amount of shareholding (unit: shares) (Note 1)	Whether the person has been serving as an independent director for the third consecutive term
				<p>Consultancy Inc. Chairman of Oneness Green Technology Co.,Ltd. Independent Director of Silergy Corp. Independent Director of Success Prime Corporation. Director of SUNPLUS TECHNOLOGY CO., LTD. Supervisor of TAI FU INTERNATIONAL NETWORK CO., LTD.</p> <p>Experience: Chairman of SAN FAR PROPERTY LIMITED. Chairman of WitsLight Technology Corporation Limited (Samoa) Executive Vice President, Lung Yang Venture Capital (Yulong Group) President of GLOBAL VIEW CO., LTD. Director of GLOBAL VIEW CO., LTD.</p>			

(Note 1) Shares after the book closure date March 31, 2025

Nishoku Technology Inc.

Positions concurrently held by the director (including independent director) candidates.

Title	Name	Key positions served in other companies	
Director	Jing Hong Investment Limited Rep.: Chen, Piao-Fu	Ghi Yang Investment Limited	Principal
		Jing Hong Investment Limited	Chairman
		SAME START LIMITED	Chairman
		Nishoku Hong Kong Holding Limited	Chairman
		SUN NICE LIMITED(SAMOA)	Director
		Nishoku Boueki Co., Ltd.	Director
		Nishoku Technology Vietnam Co., Ltd	Chairman
		Kunshan Nishoku Plastic ElectronicCo., Ltd.	Director
		SUN NICE LIMITED(B.V.I)	Director
Director	Heng Sheng Investment Limited. Rep.: Tsai, Chien-Sheng	Heng Sheng Investment Limited.	Principal
		Ji Teng Investment Limited.	Chairman
		SAME START LIMITED	Director
		Nishoku Hong Kong Holding Limited.	Director
		SUN NICE LIMITED(SAMOA)	Chairman
		Nishoku Boueki Co., Ltd.	Director
		Nishoku Technology Vietnam Co., Ltd	Director
		Kunshan Nishoku Plastic ElectronicCo., Ltd.	Chairman
		SUN NICE LIMITED(B.V.I)	Chairman
Director	Cyuan Guan Investment Limited. Rep.: Chang, Wen-Hsien	Cyuan Guan Investment Limited.	Principal
		Yun DingInvestment Limited.	Chairman

Title	Name	Key positions served in other companies	
		SAME START LIMITED	Director
		Nishoku Hong Kong Holding Limited.	Director
		SUN NICE LIMITED(SAMOA)	Director
		Nishoku Technology Vietnam Co., Ltd	Director
		Kunshan Nishoku Plastic ElectronicCo., Ltd.	Director
		SUN NICE LIMITED(B.V.I)	Director
Director	Ji Teng Investment Limited. Rep.: Wu, Ying-Lan	Nishoku Boueki Co., Ltd.	Chairman
Director	Jhan Yu Investment Limited. Rep.: Hsieh, Hsin-I	Jhan Yu Investment Limited.	Principal
		Ji Teng Investment Co., Ltd	Chairman
Director	Chang Shun Investment Limited. Rep.: Fan, Chia-Wen	Chang Shun Investment Limited.	CFO
Independent Director	Lin, Horng Chang	GREENYN BIOTECHNOLOGY CO., LTD	Director
		COPLUS INC.	Independent Director
		TOPLUS GLOBAL CO., LTD.	Independent Director
		PHARMIGENE, INC.	CEO
Independent Director	Wang, Chih-Cheng	PWM CONSULTANCY INC.	General manager
		PROVISION INFORMATION CO., LTD.	Independent Director
Independent Director	Tsai, Chih-Chieh	Jianda United Accounting	CPA
		Jaydon Production and Economic Consultancy Inc.	Chairman
		Oneness Green Technology Co.,Ltd.	Chairman
		Silergy Corp.	Independent Director
		Success Prime Corporation.	Independent Director
		SUNPLUS TECHNOLOGY CO., LTD.	Director

Nishoku Technology Inc.
Rules and Procedures of Meetings of Shareholders

Date: June 15, 2022

Article 1

For the purposes of setting up a favorable governing system for corporate shareholders meetings, strengthening supervising function, and reinforcing managerial function, this measure is made in accordance with Article 5 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for our compliance.

Article 2

Except for other stipulations by laws or rules, the measure for shareholders meetings of the company shall be executed in accordance with this measure.

Article 3

The Company's shareholders meeting shall, unless otherwise provided for in laws or regulations, be convened by the Board of Directors.

Any change to the convention method of the Company's shareholders' meetings shall be resolved by the board of directors, and no later than mailing the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days prior to the date of a regular shareholders meeting or 15 days prior to the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days prior the date of the regular shareholders meeting or 15 days prior to the date of the special shareholders meeting. However, in the case of the Company with paid-in capital reaching NT\$10 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the regular shareholders' meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the regular shareholders' meeting is to be held. In addition, 15 days before the date of the shareholders meeting, the Company shall also prepare the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated.

For the agenda handbooks and supplementary information in the preceding paragraph, The Company shall furnish to the shareholders for reference on the date of the shareholders' meeting in the following manners:

I. For the physical shareholders' meeting, such information shall be distributed at the site of the meeting.

II. For the video-assisted shareholders' meeting, such information shall be distributed at the site of the meeting, and transmitted to the video conference platform.

III. Where a shareholders' meeting is convened in the manner of video conference, such information shall be transmitted to the video conference platform as the electronic files.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporaneous motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.

Matters including the accession date regarding election of directors shall be listed in the agenda of shareholders meeting. After the election at the shareholders meeting, there shall be no changes to accession date by special motions or other means.

Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of the Company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. A shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors. Besides, the proposed motion by shareholders shall not be listed as meeting motion by the Board with regard to any of conditions stated paragraph 4 on Article 172-1 of Company Act.

Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the company shall give a public notice announcing acceptance of proposal in writing or electronically, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days.

The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.

The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.

Article 4

A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by providing the proxy form issued by the Company stating therein the scope of power authorized to the proxy.

A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the Company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the company shall prevail. Unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the Company within two days before the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend in the manner of video conference, a written notice of proxy cancellation should be submitted to the Company 2 days before the meeting. If the cancellation notice is submitted after that time, the exercise of voting right by the proxy in the meeting shall prevail.

Article 5

(Principles determining the time and place of a shareholders meeting)

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.

When the Company convenes the video shareholders' meetings, the restrictions of convention location in the preceding paragraph does not apply.

Article 6

(Preparation of documents such as the attendance book)

The Company shall specify in its shareholders, proxy solicitors, proxy agents ("shareholders" hereafter) meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations; the time during which shareholder attendance registrations will be accepted at the video conference platform shall be at least 30 minutes prior to the time the meeting commences. The shareholders accepted are deemed attend the shareholders' meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

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

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

Where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register with the Company at least two day prior to the meeting date.

Where the Company convenes the video shareholders' meetings, the Company shall upload the agenda handbook, annual reports and other related information to the video conference platform for the shareholders' meeting, and retain the disclosure of such until the meeting ends.

Article 6-1

(Matters to be specified in notice when the video shareholders' meetings are convened)

Where the Company convenes the video shareholders' meetings, the meeting notice shall specify the following matters:

I. The method for shareholders to attend the video conference and exercise of their rights.

II. The handling method when the video conference platform or participation in the manner of video conference fails due to force majeure, such as natural disasters or incidents, and the follows shall be at least included:

(I) Time and date for the postponement or re-convention when the aforesaid continual failure that cannot be eliminated and thus a postponement or re-convention is required.

(II) The shareholders have not registered to attend the first shareholders' meeting must not attend the postponed or re-convened meeting.

(III) Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting is discontinued, if the total attending shares still meet the statutory quorum for shareholders' meeting commencement after deducting these shares held by the shares attending the meeting via video conference, the meeting shall continue; the shares held by the shares attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.

(IV) The handling method where the results of all proposal are announced but the extempore motions are not proceeded.

III. Where the Company convenes the video shareholders' meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of a video conference shall be specified.

Article 7

(The chair and non-voting participants of a shareholders meeting)

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 chairperson shall appoint one of the managing directors 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.

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

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors (including at least one independent directors), the convener of the Audit Committee in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

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

Article 8

(Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where the Company convenes the video shareholders' meetings, the Company shall record and retain the records of the registration, enrollment, acceptance, inquiries, voting, and the results of vote calculation, and continuously record the video conference thoroughly, both audio and video. The records and audio- and video recordings in the preceding paragraphs shall be properly retained during the Company's survival period, and the audio- and video recordings are provided to the organizer of the video conference for custody.

Article 9

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

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 represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned; where the Company convenes the video shareholders' meetings, the Company shall announce the meeting adjournment at the video conference platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month; where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register again with the Company per Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority 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 10

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant motions (including extemporary motions and changes in the original motions) shall be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

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

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and arrange appropriate time for discussion.

Article 11

(Shareholder speech)

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

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.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where shareholders' meetings are convened in the manner of video conference, the shareholders attending in the manner of video conference may inquire with text at the video conference platform of the meeting since the chair announcing the meeting commencement till the adjournment. No more than two inquiries shall be raised for each proposal, and the maximum length is 200 words. Paragraphs 1 to 5 are not applicable.

Article 12

(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the interest of the Company, shall not vote nor exercise the voting right on behalf of another shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 13

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 Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders meeting, it shall allow the shareholders to exercise voting rights by electronic means, and also correspondence means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, the shareholder is deemed to have waived his/her rights with respect to the extraordinary motions and amendments

to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. Unless an explicit statement to revoke the previous declaration is made in the declaration which comes later.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event that the shareholder intends to attend the shareholders meeting in person or in the manner of video conference, a written declaration of intent to retract the voting rights that has already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 days prior to the date of the shareholders meeting. In the absence of a timely rescission of the previous declaration of intention, the voting power exercised in writing or by way of electronic transmission shall prevail. When a shareholder has exercised voting rights by correspondence or electronic means, and also by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

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

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference shall vote via the video conference platform to each proposal and election after the Chairman declares the meeting commencement. Such voting shall be completed before the Chairman declares the end of voting; anyone misses the deadline is deemed abstention.

Where the Company convenes the video shareholders' meetings, the votes shall be calculated at once upon the end of voting declared by the chair, and announce the results of voting or elections.

Where the Company convenes the video-assisted shareholders' meetings, the shareholders who already have registered to attend the meeting in the manner of video conference pursuant to the regulations, but then intend to attend the off-line shareholders' meeting in person, shall withdraw the registration in the same manner of registration two days prior to the shareholders' meeting date; these who miss the deadline may only attend the shareholders' meeting in the manner of a video conference.

These who exercise the vote in the manner of writing or electronic method, without withdrawing their expressions of intents, and attending the meeting in the manner of video conference, other than the extempore motions, must not exercise the votes to the original proposal, propose any amendment to the original proposal, or exercise the votes to the amendment to the original proposal, other than extempore motions.

Article 14

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected and the name of unelected directors as well as their number of votes received.

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

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and voting results (including calculation of voting shares) of various meeting agendas. In cases of director elections, the number of voting shares of director candidates shall be revealed. These minutes must be retained for as long as the Company exists.

Where the Company convenes the video shareholders' meetings, other than the matters to be recorded as required in the preceding paragraph, the starting and ending time of the shareholders' meeting, convention method of the meeting, names of the chair and record-keeper, and the handling method when the video conference platform or participation in the manner of video conference fails due to disasters, incidents or other force majeure, and the handling status shall be specified.

Where the Company convenes the video shareholders' meetings, other than complying with the preceding paragraph, the minutes shall also specify the alternatives for the shareholders having difficulties to attend in the manner of video conference.

Article 16

(Public disclosure)

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting; where the Company convenes the video shareholders' meetings, the Company shall upload the agenda handbook, annual reports and other related information to the video conference platform for the shareholders' meeting, and retain the disclosure of such until the meeting ends.

Where the Company convenes the video shareholders' meetings, the total shares held by the shareholders attending the meeting shall be disclosed at the video conference platform. If the total shares and voting rights of the attending shareholders are counted during the meeting, the same applies.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

(Maintaining order at the meeting place)

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

The chair may direct the proctors or security personnel to help maintain order at the meeting place.

When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

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

Article 18

(Recess and resumption of a shareholders meeting)

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

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

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

Article 19

(Information disclosure for video conference)

Where the shareholders' meetings are convened in the manner of video conference, the Company shall disclose the voting result of each proposal and election results at the video conference platform for the shareholders' meeting, and retain the disclosure at least 15 minutes after the chair declares adjournment.

Article 20

(Location of the chair and recorder-keeper of video shareholders' meetings)

When the Company convenes the video shareholders' meetings, the chair and the record-keeper shall be at the same location within Taiwan. The chair shall announce the address of this location.

Article 21

(Handling communication interruption)

Where the shareholders' meeting is convened in the manner of video conference, before the chair declares the adjournment, in the event where the video conference platform or the participation in the video conference fails for 30 minutes or more due to nature disasters, incidents, or other force majeure, the date of the shareholders' meeting postponed to, or re-convened shall be within five days, and Article 182 of the Company Act shall not apply.

Where the meeting is to be postponed or re-convened as specified in the preceding paragraph, the shareholders have not registered to attend the first shareholders' meeting must not attend the postponed or re-convened meeting.

For the meeting is to be postponed or re-convened as specified in Paragraph 1, the shareholders who registered to attend the original meeting via the video conference, and have completed the acceptance, but not attend the postponed or re-convened meeting, their attending shares at the

original meeting, the exercised voting right and election right, shall be counted into the total shares, voting rights, and election rights of the attending shareholders in the postponed or re-convened meeting.

The postponement or re-convention of shareholders' meetings conducted per Paragraph 1 needs not again discuss and resolve the proposal that have completed voting and vote calculation, with the announcement of voting results, or the list of elected directors.

Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting is discontinued as specified in Paragraph 1 and the total attending shares still meet the statutory quorum for shareholders' meeting commencement, the postponement or re-convention of the meeting per Paragraph 1 is not required.

Under the circumstances to continue the meeting as specified in the preceding paragraph, the shares held by the shares attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.

Where the Company postpones or re-convenes any shareholders' meeting as specified in Paragraph 1, the pre-requisite operations shall be conducted based on the original shareholders' meeting date, and pursuant to Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For the periods specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2 of Article 44-5, Article 44-15, Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall proceed on the date of the postponed or re-convened shareholders' meeting per Paragraph.

Article 22

(Handling digital gap)

Where the Company convenes the video shareholders' meetings, other than complying with the preceding paragraph, the minutes shall also specify the alternatives for the shareholders having difficulties to attend in the manner of video conference.

Article 23

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

**Nishoku Technology Inc.
Articles of Incorporation
(Before amendment)**

Chapter 1 General Principles

- Article 1 The company is named Nishoku Technology Inc. in accordance with organization stipulations of Company Act.
- Article 2 The operating businesses are listed as follows:
 1. CQ01010 Die Manufacturing
 2. F106030 Wholesale of Die
 3. F206030 Retail Sale of Die
 4. C805990 Other Plastic Products Manufacturing
 5. F401010 International Trade
 6. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 For purposes of business requirement or investing relationship, the company may conduct external guarantee for the same business, endorsement and guarantee on loan from financial institution, and affairs of mutual funding accommodation.
- Article 2-2 The total corporate re-investment amount in other companies is not subject to Article 13 of Articles of Incorporation and may exceed 40% of company's paid-in capital with consent from the Board.
- Article 3 The company's headquarter is located in New Taipei City. When necessary the Board may resolve to set up branch offices domestically and abroad.
- Article 4 The announcement methods shall proceed in accordance with Article 28 of Company Act except for other protocols by securities authorities.

Chapter 2 Stock Shares

- Article 5 The capital sum of the company is NT\$1,500,000,000 to be divided for 150,000,000 shares of NT\$10 per share to be issued by several times. The preceding capital sum has reserved NT\$20,000,000 to be divided for 2,000,000 shares for stock option, special stock for stock option, or for the use of company with stock option to exercise power of stock option. In accordance with Company Act and other related laws and rules, the Board is authorized to issue the shares for several times.
- Article 5-1 The employees who are entitled to the transfer or distribution of the treasury stock bought back by the Company, share subscription warrant issued to employees, issued new shares for capital increase and restricted stock must be employees of the controlling or subsidiary company meeting certain criteria. The Board is authorized to determine such criteria
- Article 6 Deleted
- Article 7 The stock shares of the company are registered shares. They shall be numbered and signed by directors representing the Company or affixed with seals thereof and may be issued after notarization by law.
 The issued stock shares by the company may not be necessary to print out

hard copies. However, the centralized securities depository enterprise shall be contacted for shares registration or preservation. The way of stock share issuing shall proceed in accordance with Company Act and relevant laws and rules.

- Article 8 The rename for transfer of shares shall be suspended by 60 days before regular shareholders meeting, or 30 days before temporary shareholders meeting, or 5 days before the company decides to distribute stock dividends or other interest.
- Article 8-1 The stock affairs shall proceed in accordance with stipulation of "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the securities authorities.
- Article 8-2 Deleted.

Chapter 3 Shareholders Meeting

- Article 9 There are regular and temporary shareholders meetings. By law, the regular one shall be convened by the Board at least once every year within 6 months by end of every accounting year. The temporary one shall be convened by law if necessary.
The convening of regular shareholders meeting shall be conducted by 30 days before the meeting, and temporary shareholders meeting shall be convened by 15 days before the meeting. By law, every shareholder shall be informed of meeting date, location, and matters for meeting in written or electronic means. For shareholders with less than 1000 shares, announcement without notification is eligible
During shareholders meeting, the President is acting as chairperson. In case the President is taking leave or fails to perform his duty for certain reasons, one of the directors may be appointed as chairperson. In case the President has not appointed any director as the chairperson, the directors shall elect one director as the chairperson of meeting. For meeting convened by other conveners, the chairperson shall be the convener. For more than two conveners, the chairperson shall be elected from one of them.
- Article 9-1 The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.
- Article 10 In case shareholder may not attend shareholders meeting for certain reasons, a form of proxy printed by the company with expressly statement of authorization scope, signature, or stamp can be presented for proxy to attend the meeting. The measure for proxy shareholder to attend the meeting shall proceed in accordance with Article 177 of Company Act and " Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies " issued by the authorities.
- Article 11 The issued shared by the company have 1 voting power for each share except
for the shares without voting power regulated by Paragraph 2 on Article 179 of Company Act.
- Article 12 Except for other stipulations of Company Act, the resolutions of shareholders meeting shall be approved for execution with favorable votes by more than half of participating shareholders representing total issued

shares of the company in shareholders meeting.

Chapter 4 Directors And Audit Committee

- Article 13 The company shall entitle 7 to 11 directors with 3-year term of office to be elected in shareholders meeting by voting for competent candidates. The former elected can be re-elected for service.
- In accordance with Article 192-1 of Company Act, the elections for directors of the company shall be done by nomination system with candidates. Shareholders shall elect among a list of candidates of directors.
- For directors, there are 3~4 independent directors. The independent directors' qualification, shareholding and other business limit, nomination, mean of election, and other matters to be comply with shall be executed by relevant laws and stipulations.
- Article 13-1 The Company establishes Remuneration Committees and other functional committees in accordance with laws and regulations and depending on business operation needs.
- Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, which shall be composed of the entire number of independent directors. The Audit Committee shall carry out duties as prescribed by the Company Act, Securities and Exchange Act and other regulations governing the power of Audit Committee. The number of Audit Committee members, term of office, rules and procedures of audit committee meetings, exercising of power and other matters to be complied with shall be handled in accordance to relevant rules and regulations as prescribed by the competent authority or the Charters of the Audit Committee.
- Article 14 The Board is organized by the President. The President is elected by more than half of participating directors of more than 2/3 of all directors. The President represents the company outwards.
- The Board shall be convened by the President as the chairperson. However, for the first Board of every session, the director who has the most favorable votes shall convene the Board. The chairperson of the Board shall be the convener. For more than two conveners, one of them shall be elected as chairperson. Every director and supervisor shall be informed of the convening of the Board by 7 days before the meeting with notification expressly stating meeting date/time, location, and agenda. For emergency, the Board can be convened at any time. The notification of convening the Board can be conducted in written, e-mail, or fax.
- Article 15 In case the President is taking leave or cannot perform his duty for certain reasons his deputy shall proceed in accordance with Article 208 of Company Act.
- Article 15-1 For lack of directors achieves 1/3 regulated by Articles of Incorporation or all independent directors are dismissed due to any reasons, the company shall re-elect directors by convening temporary shareholders meeting within 60 days of occurrence in accordance to the law. Except for the circumstances where the entire Board is re-elected, the tenure of succeeding directors shall expired at the end of the original service period.

Article 15-2 Any director may use form of proxy expressly stating scope of authorization for other director to attend the Board, and may exercise voting power as a proxy director for all matters discussed in the Board. Every director can only be a proxy for another director. In case the Board has video conference, the participating directors shall be regarded as attending the meeting in person.

Article 15-3 Deleted.

Article 16 The Board is authorized to determine the rewards for President, and directors in consideration of respective involving levels of corporate operation and contributed values with reference of other companies domestically and abroad.

A company shall report the insured amount, coverage, premium rate, and other important contents of the directors liability insurance it has obtained or renewed for directors, at the most recent board meeting.

Chapter 5 Manager

Article 17 The company shall have manager whose appointment, removal, and reward shall proceed in accordance with Article 29 of Company Act.

Chapter 6 Accounting

Article 18 The Board of the company shall make the following reports by the end of accounting year and submitted it to the shareholders meeting for ratification:

(1) Business Report

(2) Financial Statements

(3) Distribution of Profits or Motion of Loss Appropriation.

Article 19 Deleted.

Article 20 In case the company has yearly profit, at least 1% shall be appropriated as staff reward and no more than 5% as rewards for directors and supervisors. However, the company's accumulated losses shall first have been covered.

The preceding staff reward shall be paid by stock shares or cash dividends. The objects of payment shall consist of employees of controlling and affiliated company meeting certain criteria determined by the Board. The preceding rewards for directors and supervisors shall only be paid by cash dividends.

The preceding 2 items shall be resolved by the Board before execution. And the shareholders meeting shall be reported.

In case the company has surplus after the general annual final settlement, tax shall be first repaid, the accumulative losses be compensated and then 10% be appropriated as legal reserve. When the accumulative legal reserve achieves paid-in capital of the company is not subject to this limitation. Then by law or stipulations of the authorities, special reserve shall be set aside or reversed. Where in case there is surplus, the Board shall propose a motion of profit distribution along with beginning retained earnings. Where surplus is distributed in form of new shares, such matter shall be submitted

for shareholders meeting to resolve for stock dividends.

Pursuant to Article 240 and 241 of the Company Act, the Company authorizes the distributable dividends and bonuses, or legal reserve and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The policy of cash dividends of the company is formed to match present and future development plan. In consideration of investing environment, demand of fund, competition at home and abroad, and interest of shareholders, every year at least 10% of distributable surplus for stock or cash dividends shall be appropriated as rewards for shareholders. However, when the annual distributable earnings have been all appropriated for stock and cash dividends for shareholders at less than NT\$0.5 per share, the distributable surplus may be fully retained without any distribution. The distribution of surplus can be cash or stock dividends. Among the dividends, cash shall be at least 30% of total.

Chapter 7 Supplementary Provisions

Article 21 Any unspecified matters by this article shall proceed in accordance with Company Act.

Article 21-1 Deleted.

Article 22 This article was made on May 20, 1980.
1st revision was made on Nov. 10, 1983.
2nd revision was made on Jun. 15, 1984.
3rd revision was made on Aug. 12, 1987.
4th revision was made on Jun. 9, 1988.
5th revision was made on Mar. 14, 2000.
6th revision was made on Nov. 18, 2002.
7th revision was made on Jun. 30, 2007.
8th revision was made on Jan. 18, 2008.
9th revision was made on Mar. 19, 2008.
10th revision was made on Dec. 26, 2008.
11th revision was made on Jun. 30, 2010.
12th revision was made on Jun. 24, 2011.
13th revision was made on Jun. 15, 2012.
14th revision was made on Jun. 15, 2012.
15th revision was made on Jun. 14, 2013.
16th revision was made on Jun. 7, 2016.
17th revision was made on Jun. 14, 2017.
18th revision was made on Jun. 18, 2019.
19th revision was made on Jun. 16, 2020.
20th revision was made on Jun. 15, 2022.

Nishoku Technology Inc.

Chairman: Chen, Piao-Fu

Nishoku Technology Inc.
Procedures for Election of Directors

Date: August 12, 2021

I. Purpose

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/TPEX Listed Companies”.

II. Scope of Review

Except as otherwise provided by law and regulation or Articles of Incorporation of the Company, the elections of directors of the Company shall be conducted in accordance with these Procedures. In addition, the establishment of independent directors and compliance matters shall be handled in accordance with the regulations of the competent authority of securities.

III. Definition

None.

IV. Responsibilities

None.

V. Operation Content

1. The overall composition of the board of directors shall be taken into consideration in the selection of the Company'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: Professional background (e.g., law, accounting, industry, finance, marketing or 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.

2. The qualifications for the independent directors of the Company 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 the Company 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/TPEX Listed Companies”.

3. 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 discharge of a director for any reason, the Company shall hold a by-election for director at the following shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the Company shall convene a special shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

Where the number of independent directors falls below the number prescribed in the proviso of Paragraph 1 of Article 14-2 of Securities and Exchange Act, the Company shall hold by-election at the most recent shareholders’ meeting. When all independent directors are dismissed, the Company shall convene an extraordinary shareholders’ meeting within sixty days from the occurrence of such event to hold a by-election for the independent directors..

4. The cumulative voting method shall be used for election of the directors at the Company. 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.
5. 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.
6. The number of directors will be as specified in the Company'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.
7. Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. In addition, the vote monitoring personnel shall be equipped with the shareholder status.
8. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
9. If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the “Candidate column” of the ballot; for a non-shareholder, the voter shall

enter the candidate's full name and identification card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

10. A ballot is invalid under any of the following circumstances:

- (1) Where the ballot is not prepared by a person with the right to convene.
- (2) A blank ballot is placed in the ballot box.
- (3) The writing is unclear and indecipherable or has been altered.
- (4) The candidate whose name is entered in the ballot is a shareholder and his/her account name and shareholder account number does not conform with the shareholder registry, or the candidate whose name is entered in the ballot is not a shareholder and does not conform with the name and identity card number provided.
- (5) Other words or marks are entered in addition to the candidate's account name (name) or shareholder account number (or identity certificate number) and the number of voting rights allotted.
- (6) The name of the candidate entered on the ballot is identical to that of another shareholder, but no shareholder account number or identification card number is provided on the ballot to identify such individual.
- (7) The total number of voting rights casted in the voting exceed the total number of voting rights held by voters.
- (8) The number of candidates filled in exceeds the number of seats required for election.

11. The voting rights shall be calculated on-site immediately after the end of the poll, and the results of the list of persons elected as directors and their respective number of voting rights won shall be announced by the chair on-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 1 year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

12. The board of directors of the Company shall issue notifications to the persons elected as directors.

13. These Rules shall be submitted by the board of directors to the shareholders' meeting for approval before implementation, and the same requirements shall be applied to amendments of these Rules.

VI. Relevant Documents

None.

VII. Attachments

None.

Nishoku Technology Inc. Shareholding of Directors

1. In accordance with Article 26 of “Regulations Governing Content and Compliance Requirements for Shareholders’ Meeting Agenda Handbooks of Public Companies, the lowest shareholding of all Directors shall be 5,041,778 shares.
2. The total shareholding of all Directors recorded in the shareholders’ register has met the legal standard for percentage of shareholding.
3. The Company had set up Audit Committee, so there is no applicable for the minimum required of shareholdings of supervisors by law.
4. The shareholdings of Directors:

Title	Name	Elected Date	Tenure	Shareholding when elected		Shares held as of date for suspension of share transfer	
				No. of Shares	Percentage of shareholdings	No. of Shares	Percentage of shareholdings
Chairman	Jing Hong Investment Limited Rep.: Chen, Piao-Fu	Jun. 15, 2022	3 years	3,600,000	5.74%	3,600,000	5.71%
Director	Heng Sheng Investment Limited Rep.: Tsai, Chien-Sheng	Jun. 15, 2022	3 years	2,263,956	3.61%	2,263,956	3.59%
Director	Cyuan Guan Investment Limited Rep.: Chang, Wen-Hsien	Jun. 15, 2022	3 years	1,855,308	2.96%	1,855,308	2.94%
Director	Ji Teng Investment Limited Rep.: Wu, Ying-Lan	Jun. 15, 2022	3 years	4,500,000	7.18%	4,500,000	7.14%
Director	Jhan Yu Investment Limited Rep.: Hsieh, Hsin-I	Jun. 15, 2022	3 years	2,683,082	4.28%	2,683,082	4.26%
Director	Chang Shun Investment Limited Rep.: Fan, Chia-Wen	Jun. 15, 2022	3 years	2,705,932	4.32%	2,705,932	4.29%
Total shareholdings of all Directors				17,608,278		17,608,278	18.17%
Independent Director	Lin, Horng Chang	Jun. 15, 2022	3 years	0	0.00%	0	0.00%
Independent Director	Wang, Chih-Cheng	Jun. 15, 2022	3 years	0	0.00%	0	0.00%
Independent Director	Tsai, Chih-Chieh	Jun. 15, 2022	3 years	0	0.00%	0	0.00%
Total shareholdings of all Independent Directors				0	0.00%	0	0.00%

Note: As of the date for suspension of share transfer of this Shareholders’ Meeting, March 31, 2025, the Company’s total issued share of 63,022,229 shares.