

Stock Code: 1618

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

2021 Regular Shareholder Meeting

Handbook

June 28, 2021

Location: No. 32, Jingjian 5th Rd., Guanyin Dist., Taoyuan City.

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◆Agenda

Agenda of the 2021 regular shareholder meeting of HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Time: June 28, 2021 (Monday) 9:00 a.m.

Location: No. 32, Jingjian 5th Rd., Guanyin Dist., Taoyuan City. (The Company's Guanyin no. 2 factory)

Agenda:

- i. Call the meeting to order
- II. Chair remarks
- III. Company reports
 - (i). The Company's 2020 business report
 - (ii) The Company's Audit Committee's review of the 2020 final report.
 - (iii) The Company's 2020 report on the distribution of remuneration for employees and directors.
 - (iv) Amendment to the Company's "Code of Ethical Conduct"
- iv. Ratification proposals
 - (i) Ratification of the 2020 business report and financial statements
 - (ii) Ratification of the 2020 earnings distribution proposal
- v. Discussion matters
 - (i) Amendment to the Company's "Article of Incorporation".
 - (ii) Amendment to the Company's "Rules of Procedure for Shareholder Meeting"
 - (iii) Amendment to the Company's "Procedure for Election of Directors"
 - (iv) The capital surplus cash distribution proposal.
 - (v) The Company's cash capital reduction is hereby submitted for discussion.
- vi. Extraordinary motions
- vii. Adjournment

◆Company reports

Report no. 1

Subject: The Company's 2020 business report

Explanation: For the Company's 2020 business report, please refer to attachment 1 of this handbook (pages 6-7).

Report no. 2

Subject: The Company's Audit Committee's review of the 2020 final report

Explanation: For the Company's Audit Committee's 2020 review report, please refer to attachment 2 of this handbook (page 8).

Report no. 3

Subject: The Company's 2020 report on the distribution of remuneration for employees and directors.

Explanation: The Company's 2020 profits (before tax and remuneration of employees, directors and supervisors) after audited by independent auditors were NT\$306,763,003. According to Article 20 of the Articles of Incorporation, NT\$9,000,000 (2.93%) were allocated as employee remuneration, NT\$3,600,000 (1.17%) as director remuneration, all paid in cash.

Report no. 4

Subject: Amendment to the Company's "Code of Ethical Conduct"

Explanation: In accordance with the revisions of laws and regulations and the actual needs of the business, some provisions of the "Code of Ethical Conduct" have been amended. Please refer to attachment 3 of this handbook (pages 9-12) for the comparison of the previous and the amended provisions.

◆Ratification proposals

Proposal no. 1 (by Board of Directors)

Subject: Proposal for the ratification of the 2020 business report and financial statements

Explanation: 1. The Company's 2020 business report, stand-alone financial statements and consolidated financial statements were approved by a resolution of the Board of Directors. The CPA firm of Deloitte and Touche has audited the stand-alone financial statements and the consolidated financial statements and has given an unqualified opinion thereon.

2. The above-mentioned business report and financial statements have been sent to the Audit Committee, which issued a review report.

3. Please refer to attachment 1 and 4 (pages 6-7 and 13-32) for the Company's 2020 business report and financial statements, and please accept the proposal for ratification.

Resolution:

Proposal no. 2 (by Board of Directors)

Subject: Proposal for the ratification of the 2020 earnings distribution proposal

Explanation: 1. The Company's 2020 earnings distribution proposal was approved by a resolution of the Board of Directors and reviewed by the Audit Committee, which issued a review report.

2. The Company's 2020 net profits after tax were NT\$241,980,526, and the cumulative distributable earnings were NT\$1,194,320,422, which are intended to be retained without distribution. Please refer to attachment 5 (page 33) of this handbook for the earnings distribution statement. Please accept the proposal for ratification.

Resolution:

◆ Discussion matters

Proposal no. 1 (by Board of Directors)

Subject: Amendment to “Article of Incorporation”. Please proceed to discuss.

Explanation: In accordance with Article 240, Paragraph 5 and Article 241 of the Company Act and the actual needs of the business, certain provisions of the "Articles of Incorporation" were amended. For comparison of the Previous and the Amended articles, please refer to Attachment 6 of this handbook (Page 34)

Resolution:

Proposal no. 2 (by Board of Directors)

Subject: Amendment to the Company’s “Rules of Procedure for Shareholder Meeting”. Please proceed to discuss.

Explanation: In accordance with the revisions of laws and regulations and the actual needs of the business, some provisions of the "Rules of Procedure for Shareholder Meeting" have been amended. Please refer to attachment 7 of this handbook (page 35-36) for the comparison of the previous and the amended provisions.

Resolution:

Proposal no. 3 (by Board of Directors)

Subject: Amendment to “Procedure for Election of Directors”. Please proceed to discuss.

Explanation: In accordance with the revisions of laws and regulations and the actual needs of the business, some provisions of the "Procedure for Election of Directors" have been amended. Please refer to attachment 8 of this handbook (pages 37-39) for the comparison of the previous and the amended provisions.

Resolution:

Proposal no. 4 (by Board of Directors)

Subject: Cash distribution from capital surplus. Please proceed to discuss.

Explanation: 1. The Company intends to allocate NTD 72,259,405 from the capital surplus of NTD 355,182,942 in excess of par value to distribute cash of NTD 0.3 per share in accordance with the shares held by the Company as recorded in the shareholders roster on the record date for the issuance of shares.

2. After approval at the shareholders' meeting, the chairman of the board of directors shall, upon the authorization of the board of directors, set another payment base date and payment date.
Cash distribution is calculated up to NTD. Fractions of NTD are rounded down to zero. The difference is recorded by the Company as "other income".

3. If any amendment or change is required by law or approved by the competent authorities or by facts, it is intended to be submitted to the shareholders' meeting to authorize the chairman of the board of directors to handle the matter.

Resolution:

Proposal no. 5 (by Board of Directors)

Subject: The Company's cash capital reduction is hereby submitted for discussion.

- Explanation:
1. In order to adjust the capital structure and improve the return on equity, the Company intends to reduce capital by cash and return cash to shareholders in accordance with Article 168 of the Company Act.
 2. Total number of shares and amount of capital reduction: The actual number of issued shares of the Company is 240,864,684 common shares and the paid-in capital is NT\$2,408,646,840, the amount of cash capital reduction is NT\$481,729,370 with 48,172,937 shares to be eliminated. After the capital reduction, the estimated number of common shares is 192,691,747 and the paid-in capital is NT\$1,926,917,470 with a par value of NT\$10 per share. Based on the aforementioned capital reduction, the estimated capital reduction percentage is approximately 20%, with a cash refund of NT\$2 per share.
 3. Elimination of shares: Based on the calculation of the shares held by each shareholder as recorded in the shareholder roster on the base date of the capital reduction and share exchange, 800 common shares were exchanged for each thousand shares (i.e., a reduction of 200 shares per thousand shares), resulting in the total elimination of 48,172,937 shares.
 - (1) After the capital reduction, for fractional stock of less than one share, the shareholder may register for pooling together into whole shares with the Company's stock affairs agency within five days prior to the date of the cessation of stock transfer for capital reduction and share exchange, If stock is not pooled together or is still less than one share after pooling together, the fractional stock will be compensated by cash at par value up to NT\$ (rounded down to the nearest NT\$), and the chairperson is authorized to find specific persons to subscribe for the shares at par value.
 - (2) The shares to be issued under the capital reduction and share exchange will be non-physical securities, and the rights and obligations of the shares will be the same as those of the original issue. After the approval of the shareholders' meeting and the effective registration by the competent authority, the Chairperson is authorized to set the "base date of the capital reduction" and "based date of the capital reduction and share exchange" along with other related matters.
 - (3) Prior to the base date of the capital reduction, if adjustments are required due to amendments to laws and regulations, instructions by competent authorities, or other objective environmental changes, it is proposed that the shareholders' meeting authorize the Chairperson to handle the relevant matters with full authority.

Resolution:

- ◆ Extraordinary motions
- ◆ Adjournment

Attachment 1:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD 2020 Business report

The Company's 2020 consolidated operating revenues were NT\$2,822,947 thousand, an increase of 2.36 % over last year, with a gross margin of 12.08%, an increase of 103.16% compared with the same period last year, and operating profit of \$240,642 thousand for the year%. Non-operating income mainly consisted of interest income of NT\$2,758 thousand, dividend income of NT\$28,766 thousand, and gold valuation gain of NT\$23,067 thousand. The loss of disposal of property, plant and equipment was NT\$8,674 thousand, and net profits after tax were NT\$241,980 thousand.

Proportion of sales by product in 2020: rubber cable 10.52%, communication cable 10.76%, XLPE power cable 49.92%, aluminum wire 2.81%, optical fiber 3.12%, service and engineering income 4.19%, and other approximately 18.68%.

(i) Implementation results of business plan

Unit: Thousand NT\$

Item	2020 (IFRS)-stand-alone	2019 (IFRS)-stand-alone	Increase or decrease %	2020 (IFRS)-consolidated	2019 (IFRS)-consolidated	Increase or decrease %
Operating revenues	2,818,659	2,752,856	2.39%	2,822,947	2,757,736	2.36%
Operating costs	2,474,138	2,581,613	(4.16%)	2,482,042	2,589,935	(4.17%)
Operating gross margins	344,521	171,243	101.19%	340,905	167,801	103.16%
Operating expenses	99,233	107,592	(7.77%)	100,263	108,721	(7.78%)
Operating profits	245,288	63,651	285.36%	240,642	59,080	307.32%
Non-operating income and expense	48,875	17,766	175.10%	53,521	22,337	139.61%
Net profits before tax	294,163	81,417	261.30%	294,163	81,417	261.30%

Net non-operating income and expenses increased compared to the same period last year, mainly due to the increase in dividend income and unrealized gold valuation gains, and the absence of loss on disposal of affiliated companies and impairment loss on property, plant and equipment for the year.

(ii) Budget implementation status

The 2020 financial forecast was not made public, so there is no question of whether the budget was achieved or not.

(iii) Profitability analysis

Analysis	Ratio (%)
Return on assets (%)	5.01%
Return on equity (%)	5.55%
Profits before tax to capital (%)	12.21%
Net profits margin (%)	8.57%
Earnings per share (NT\$)	1.00

The Company will continue to improve production quality, actively develop a more complete product portfolio and obtain product certifications from various countries to open up new markets, and strengthen our management to reduce costs and operating risks in order to move into the international arena as a professional cable manufacturer with a stable operation, and is looking forward to making new achievements in the future to reward our shareholders.

We would like to express our most profound gratitude to the shareholders, Please continue to give us your support and advice.

We wish you all
success and good health.

Chairperson: Biqi Yang General manager: Xinzheng Li Accounting officer: Tingyi Zhou

Attachment 2:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Audit Committee's Review Report

The Board of Directors prepared the Company's 2020 business report, financial statements (stand-alone and consolidated) and earnings distribution proposal. CPA Zeli Gong and Wenyuan Zhuang from Deloitte and Touche have audited the financial statements (stand-alone and consolidated) and have issued an audit report. The above-mentioned business report, financial statements (stand-alone and consolidated) and earnings distribution proposal have been reviewed by the Audit Committee and no discrepancies have been found and a report was prepared for your review according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

The 2021 regular shareholder meeting of HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Chairperson of the Audit Committee:

May 11, 2021

Attachment 3:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD
Comparison of the previous and the amended Code of
Ethical Conduct

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
Article 1	<p>Define purpose and basis For compliance, this Code is defined to guide the directors of the board and managerial officers of the Company (including general managers and equivalent, deputy general managers and equivalent, directors and equivalent, financial department head, accounting department head, and other persons who manage affairs and have the rights to sign for the Company) and employees (staff) to comply with ethical standards, and to make the Company's related parties more aware of the Company's ethical standards.</p>	<p>Define purpose and basis For compliance, this Code is defined to guide the directors of the board, supervisors, and managerial officers of the Company (including general managers and equivalent, deputy general managers and equivalent, directors and equivalent, financial department head, accounting department head, and other persons who manage affairs and have the rights to sign for the Company) and employees (staff) to comply with ethical standards, and to make the Company's related parties more aware of the Company's ethical standards.</p>	<p>The Company has established the Audit Committee to replace the supervisors.</p>
Article 2	<p>Covered content The Company considers its individual circumstances and needs to define the Code of Ethical Conduct, including the following eight items: (i) Prevent conflict of interest: A conflict of interest arises when personal interests intervene or may intervene with the overall interests of the Company. For example, when company directors, managerial officers and employees are unable to handle their official duties in an objective and efficient manner, or when their positions in the Company result in improper benefits to themselves, their spouses or their relatives within second degree of kinship, etc. The Company should pay special attention to the lending or guarantee of funds, material asset transactions, and purchases (sales) of goods with the affiliates to which the aforementioned persons belong. The Company <u>should formulate policies to prevent conflict of interest</u></p>	<p>Covered content The Company considers its individual circumstances and needs to define the Code of Ethical Conduct, including the following eight items: (i) Prevent conflict of interest: A conflict of interest arises when personal interests intervene or may intervene with the overall interests of the company. For example, when the Company's directors, supervisors, managerial officers and employees are unable to handle their official duties in an objective and efficient manner, or when their positions in the Company result in improper benefits to themselves, their spouses, <u>parents, children</u> or their relatives within second degree of kinship, etc. The Company should pay special attention to the lending or guarantee of funds, material asset transactions, and purchases (sales) of goods with the affiliates to which the aforementioned persons belong. The Company's</p>	<p>Make text revision in accordance with laws and regulations</p>

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
	<p><u>and provide appropriate channels</u> for directors, managerial officers and employees to proactively explain whether they have potential conflict of interest with the Company.</p> <p>(ii) Avoid opportunities for personal gain: The Company should avoid the following matters for directors, managerial officers and employees: (1) The opportunity for personal gain through the use of company property, information or the convenience of position; (2) The use of company property, information or the convenience of position to obtain personal gain; (3) Compete with the Company. When there is an opportunities for the Company to make a profit, directors, managerial officers and employees have the responsibility to increase the legitimate interests that the Company can obtain.</p> <p>(iii) Confidentiality duty: Directors, managerial officers and employees should be under an obligation of confidentiality with respect to information about the Company itself or its suppliers and (sales) customers, unless authorized or required by law to be disclosed. The information that should be kept confidential includes all unpublished information that may be detrimental to the Company or its customers when used by competitors or after being leaked.</p> <p>(iv) Fair trade: Directors, managerial officers and employees should treat the Company's suppliers and (sales) customers, competitors and employees fairly, and must not obtain improper benefits</p>	<p>directors, <u>supervisors</u>, managerial officers and employees should take the initiative to state whether they have potential conflict of interest with the Company.</p> <p>(ii) Avoid opportunities for personal gain: The Company should avoid the following matters for directors, <u>supervisors</u>, managerial officers and employees: (1) The opportunity for personal gain through the use of company property, information or the convenience of position; (2) The use of company property, information or the convenience of position to obtain personal gain; (3) Compete with the company. When there is an opportunities for the Company to make a profit, directors, <u>supervisors</u>, managerial officers and employees have the responsibility to increase the legitimate interests that the Company can obtain.</p> <p>(iii) Confidentiality duty: Directors, <u>supervisors</u>, managerial officers and employees should be under an obligation of confidentiality with respect to information about the Company itself or its suppliers and (sales) customers, unless authorized or required by law to be disclosed. The information that should be kept confidential includes all unpublished information that may be detrimental to the Company or its customers when used by competitors or after being leaked.</p> <p>(iv) Fair trade: Directors, <u>supervisors</u>, managerial officers and employees should treat the company's suppliers and (sales) customers, competitors and employees fairly, and must not obtain</p>	<p>Allow anonymous reporting and make text revisions in accordance with laws and regulations</p>

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
	<p>through manipulation, concealment, abuse of information obtained in the course of their duties, misrepresentation of material matters or other unfair dealing.</p> <p>(v). Protect and properly use the Company's assets: Directors, managerial officers and employees are responsible for protecting the Company's assets and ensuring that they are used effectively and legally for official purposes. Theft, negligence or waste will directly affect the Company's ability to make a profit.</p> <p>(vi) Compliance with laws and regulations: The Company should strengthen compliance with the Securities and Exchange Act and other laws and regulations.</p> <p>(vii) Encourage the reporting of any conduct that is illegal or violates the Code of Ethical Conduct” The Company should strengthen the promotion of ethical concepts, and encourage employees to report to managerial officers, chief internal auditor or other appropriate personnel when they suspect or discover violations of laws, regulations, or the Code of Ethical Conduct. In order to encourage employees to report violations, the Company <u>should allow anonymous reports and let employees know that the Company will do its best to protect the safety of the reporter from retaliation.</u></p> <p>(viii) Punishment measures: When directors, managerial officers and employees violate the Code of Ethical Conduct and damage the Company's major rights and interests, the Company should take appropriate</p>	<p>improper benefits through manipulation, concealment, abuse of information obtained in the course of their duties, misrepresentation of material matters or other unfair dealing.</p> <p>(v). Protect and properly use the Company's assets: Directors, <u>supervisors</u>, managerial officers and employees are responsible for protecting the Company's assets and ensuring that they are used effectively and legally for official purposes. Theft, negligence or waste will directly affect the Company's ability to make a profit.</p> <p>(vi) Compliance with laws and regulations: The Company should strengthen compliance with the Securities and Exchange Act and other laws and regulations.</p> <p>(vii) Encourage the reporting of any conduct that is illegal or violates the Code of Ethical Conduct” The Company should strengthen the promotion of ethical concepts, and encourage employees to report to <u>supervisors</u>, managerial officers, chief internal auditor or other appropriate personnel when they suspect or discover violations of laws, regulations, or the Code of Ethical Conduct. In order to encourage employees to report violations, the Company will do its best to protect the safety of the reporter from retaliation.</p> <p>(viii) Punishment measures: When directors, <u>supervisors</u>, managerial officers and employees violate the Code of Ethical Conduct and damage the Company's major rights and interests, the Company</p>	

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
	disciplinary actions and immediately disclose information on the Market Observation Post System regarding the date of violation, the cause of violation, the provisions violated and the circumstances of handling the violation.	should take appropriate disciplinary actions and immediately disclose information on the Market Observation Post System regarding the date of violation, the cause of violation, the provisions violated and the circumstances of handling the violation.	
Article 3	<p>Procedure for exemption</p> <p>The Company's Code of Ethical Conduct must require that exemptions from the Company's Code of Ethical Conduct for directors, managerial officers and employees must be approved by a resolution of the Board of Directors and that information on the date of the Board of Directors' approval of the exemption, the period for which the exemption applies, the reasons for the exemption and the criteria for the exemption be disclosed immediately on the Market Observation Post System so that shareholders can evaluate the appropriateness of the Board of Directors' resolution to discourage arbitrary or questionable exemptions from the Code and to ensure that any exemptions from the Code are subject to appropriate control mechanisms to protect the Company.</p>	<p>Procedure for exemption</p> <p>The Company's Code of Ethical Conduct must require that exemptions from the Company's Code of Ethical Conduct for directors, <u>supervisors</u>, managerial officers and employees must be approved by a resolution of the Board of Directors and that information on the date of the Board of Directors' approval of the exemption, the period for which the exemption applies, the reasons for the exemption and the criteria for the exemption be disclosed immediately on the Market Observation Post System so that shareholders can evaluate the appropriateness of the Board of Directors' resolution to discourage arbitrary or questionable exemptions from the Code and to ensure that any exemptions from the Code are subject to appropriate control mechanisms to protect the Company.</p>	
Article 5	<p>The Company's Code of Ethical Conduct will be implemented after approved by the Board of Directors and submitted to the shareholder meeting, and the same applies to amendments. This Code was established on December 29th, 2014 The 1st amendment was made on March 30, 2015. <u>The 2nd amendment was made on December 21, 2020.</u></p>	<p>The Company's Code of Ethical Conduct will be implemented after approved by the Board of Directors and submitted to the shareholder meeting, and the same applies to amendments. This Code was established on December 29th, 2014 The 1st amendment was made on March 30, 2015.</p>	Add the date and number of amendments.

Attachment 4:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Hold-Key Electric Wire & Cable Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Hold-Key Electric Wire & Cable Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. 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.

Revenue Recognition

The Group's revenue from sales of wires and cables to contractors of domestic government projects is recognized upon customers' acceptance of the products in accordance with the agreement. As the amount of revenue is significant to the consolidated financial statements, the occurrence of revenue recognition was deemed as a key audit matter for the year ended December 31, 2020.

To address this matter, we evaluated the Group's revenue recognition policy and the design and implementation of internal controls for this type of revenue. We selected samples of the recorded sales revenue and verified them against the contract, customers' acceptance documents, sales orders, etc., and confirmed the occurrence of revenue transactions.

Other Matter

We have also audited the financial statements of Hold-Key Electric Wire & Cable Co., Ltd. as of and for the years ended December 31, 2020 and 2019, on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tza-Li Gung and Wen-Yuan Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 22, 2021

Notice to Readers

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

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 684,882	14	\$ 669,334	14
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	167,508	3	144,441	3
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	126,724	2	118,679	3
Financial assets at amortized cost - current (Notes 4, 9 and 29)	36,000	1	41,986	1
Contract assets - current (Notes 4 and 22)	240,070	5	155,721	3
Notes receivable (Notes 4, 10 and 22)	26,497	-	38,573	1
Trade receivables (Notes 4, 10 and 22)	290,533	6	501,716	11
Amounts due from customers for construction contracts (Note 11)	-	-	3,203	-
Other receivables (Note 10)	2,943	-	9,296	-
Inventories (Notes 4, 5 and 12)	757,574	15	819,730	18
Other current assets (Note 18)	40,527	1	49,934	1
Total current assets	<u>2,373,258</u>	<u>47</u>	<u>2,552,613</u>	<u>55</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	990,554	20	581,408	12
Investments accounted for using the equity method (Notes 4 and 14)	570	-	366	-
Property, plant and equipment (Notes 4, 15 and 29)	1,415,027	28	1,201,934	26
Right-of-use assets (Notes 4 and 16)	9,266	-	26,758	1
Investment properties (Notes 4, 17 and 29)	192,936	4	195,156	4
Deferred tax assets (Notes 4, 5 and 24)	28,136	1	32,351	1
Other non-current assets (Note 18)	27,207	-	40,553	1
Total non-current assets	<u>2,663,696</u>	<u>53</u>	<u>2,078,526</u>	<u>45</u>
TOTAL	<u>\$ 5,036,954</u>	<u>100</u>	<u>\$ 4,631,139</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	\$ 290	-	\$ 171	-
Trade payables to unrelated parties	220,484	4	319,541	7
Trade payables to related parties (Note 28)	-	-	27,069	1
Amounts due to customers for construction contracts (Note 11)	2,066	-	10,802	-
Other payables (Note 19)	85,207	2	83,465	2
Current tax liabilities (Notes 4 and 24)	42,955	1	1,970	-
Lease liabilities - current (Notes 4 and 16)	3,506	-	6,941	-
Other current liabilities (Note 19)	23,724	-	16,861	-
Total current liabilities	<u>378,232</u>	<u>7</u>	<u>466,820</u>	<u>10</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 24)	2,553	-	-	-
Lease liabilities - non-current (Notes 4 and 16)	5,899	-	19,958	-
Other non-current liabilities (Notes 19, 20 and 28)	34,676	1	35,139	1
Total non-current liabilities	<u>43,128</u>	<u>1</u>	<u>55,097</u>	<u>1</u>
Total liabilities	<u>421,360</u>	<u>8</u>	<u>521,917</u>	<u>11</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Notes 4, 8 and 21)				
Ordinary shares	2,408,647	48	2,408,647	52
Capital surplus	359,377	7	431,635	9
Retained earnings				
Legal reserve	307,990	6	301,196	7
Special reserve	11,237	-	221,330	5
Unappropriated earnings	1,207,765	24	757,651	16
Total retained earnings	1,526,992	30	1,280,177	28
Other equity	320,578	7	(11,237)	-
Total equity attributable to owners of the parent	<u>4,615,594</u>	<u>92</u>	<u>4,109,222</u>	<u>89</u>
TOTAL	<u>\$ 5,036,954</u>	<u>100</u>	<u>\$ 4,631,139</u>	<u>100</u>

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22, 28 and 35)	\$ 2,822,947	100	\$ 2,757,736	100
OPERATING COSTS (Notes 12, 20, 23 and 28)	<u>2,482,042</u>	<u>88</u>	<u>2,589,935</u>	<u>94</u>
GROSS PROFIT	<u>340,905</u>	<u>12</u>	<u>167,801</u>	<u>6</u>
OPERATING EXPENSES (Notes 20, 23 and 28)				
Selling and marketing expenses	56,279	2	63,436	2
General and administrative expenses	39,524	1	38,400	2
Research and development expenses	<u>4,460</u>	<u>-</u>	<u>6,885</u>	<u>-</u>
Total operating expenses	<u>100,263</u>	<u>3</u>	<u>108,721</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>240,642</u>	<u>9</u>	<u>59,080</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 23)	2,758	-	5,918	-
Other income (Note 23)	38,407	1	31,896	1
Other gains and losses (Notes 14, 15 and 23)	12,488	1	(8,026)	-
Finance costs (Note 23)	(360)	-	(427)	-
Share of profit (loss) of associates accounted for using the equity method (Note 14)	<u>228</u>	<u>-</u>	<u>(7,024)</u>	<u>-</u>
Total non-operating income and expenses	<u>53,521</u>	<u>2</u>	<u>22,337</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	294,163	11	81,417	3
INCOME TAX EXPENSE (Notes 4, 5 and 24)	<u>52,183</u>	<u>2</u>	<u>13,475</u>	<u>-</u>
NET PROFIT FOR THE YEAR	<u>241,980</u>	<u>9</u>	<u>67,942</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	323	-	(2,696)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	336,584	12	199,036	7

(Continued)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2020</u>		<u>2019</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	\$ <u>(257)</u>	<u>-</u>	\$ <u>(41)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>336,650</u>	<u>12</u>	<u>196,299</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 578,630</u>	<u>21</u>	<u>\$ 264,241</u>	<u>10</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 1.00</u>		<u>\$ 0.28</u>	
Diluted	<u>\$ 1.00</u>		<u>\$ 0.28</u>	

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

(Concluded)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	Retained Earnings						Other Equity		Total	Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings		Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
						Total				
BALANCE AT JANUARY 1, 2019	\$ 2,408,647	\$ 503,895	\$ 301,196	\$ 136,491	\$ 788,342	\$ 1,226,029	\$ 6,103	\$ (227,433)	\$ (221,330)	\$ 3,917,241
Appropriation of the 2018 earnings Special reserve	-	-	-	84,839	(84,839)	-	-	-	-	-
Issuance of cash dividends from capital surplus	-	(72,260)	-	-	-	-	-	-	-	(72,260)
Net profit for the year ended December 31, 2019	-	-	-	-	67,942	67,942	-	-	-	67,942
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	(2,696)	(2,696)	(41)	199,036	198,995	196,299
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	65,246	65,246	(41)	199,036	198,995	264,241
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(11,098)	(11,098)	-	11,098	11,098	-
BALANCE AT DECEMBER 31, 2019	2,408,647	431,635	301,196	221,330	757,651	1,280,177	6,062	(17,299)	(11,237)	4,109,222
Appropriation of the 2019 earnings Legal reserve	-	-	6,794	-	(6,794)	-	-	-	-	-
Reversal of special reserve	-	-	-	(210,093)	210,093	-	-	-	-	-
Issuance of cash dividends from capital surplus	-	(72,258)	-	-	-	-	-	-	-	(72,258)
Net profit for the year ended December 31, 2020	-	-	-	-	241,980	241,980	-	-	-	241,980
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	323	323	(257)	336,584	336,327	336,650
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	242,303	242,303	(257)	336,584	336,327	578,630
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	4,512	4,512	-	(4,512)	(4,512)	-
BALANCE AT DECEMBER 31, 2020	\$ 2,408,647	\$ 359,377	\$ 307,990	\$ 11,237	\$ 1,207,765	\$ 1,526,992	\$ 5,805	\$ 314,773	\$ 320,578	\$ 4,615,594

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 294,163	\$ 81,417
Adjustments for:		
Depreciation expenses	75,952	92,910
Amortization expenses	17	17
(Reversal of) expected credit loss on trade receivables	(2,089)	2,607
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(23,067)	(19,998)
Finance costs	360	427
Interest income	(2,758)	(5,918)
Dividend income	(28,766)	(21,284)
Share of (profit) loss of associates	(228)	7,024
Loss (gain) on disposal of property, plant and equipment	8,674	(1,432)
Loss on disposal of investment accounted for using the equity method	-	6,539
Impairment loss recognized on property, plant and equipment	-	14,718
Write-downs of inventories	1,850	4,812
Reversal of write-downs of inventories	(9,500)	(32,500)
Net loss (gain) on foreign currency exchange	421	(723)
Other non-cash items	(8)	-
Changes in operating assets and liabilities		
Contract assets	(84,599)	(155,721)
Notes receivable	12,032	(18,054)
Trade receivables	213,248	(138,446)
Amounts due from customers for construction contracts	3,203	210
Other receivables	6,098	(7,689)
Inventories	69,806	(204,366)
Other current assets	9,407	(24,139)
Other non-current assets	(57)	2
Notes payable	119	(1,358)
Trade payables	(126,226)	179,342
Amounts due to customers for construction contracts	(8,736)	(2,115)
Other payables	2,040	15,034
Other current liabilities	6,863	(2,037)
Other non-current liabilities	(59)	(5)
Cash generated from (used in) operations	418,160	(230,726)
Interest paid	(360)	(427)
Income tax paid	(4,511)	(8,402)
Net cash generated from (used in) operating activities	<u>413,289</u>	<u>(239,555)</u>

(Continued)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (94,554)	\$ (50,551)
Proceeds from sale of financial assets at fair value through other comprehensive income	4,694	46,270
Proceeds from capital reduction by return of shares - financial assets at FVTOCI	9,253	16,986
Purchase of financial assets at amortized cost	(50,000)	(88,375)
Proceeds from sale of financial assets at amortized cost	55,986	88,375
Proceeds from sale of investments in associates	-	776
Payments for property, plant and equipment	(258,078)	(39,898)
Proceeds from sale of property, plant and equipment	-	1,917
Increase in refundable deposits	(14,189)	(31,044)
Decrease in refundable deposits	12,557	34,841
Payments for investment properties	(529)	(2,000)
Increase in prepayments for equipment	(15,427)	(23,954)
Interest received	3,011	5,901
Other dividends received	<u>28,766</u>	<u>21,284</u>
Net cash used in investing activities	<u>(318,510)</u>	<u>(19,472)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from guarantee deposits received	45	138
Refunds of guarantee deposits received	(45)	(138)
Repayment of the principal portion of lease liabilities	(6,740)	(6,596)
Cash dividends from capital surplus	<u>(72,258)</u>	<u>(72,260)</u>
Net cash used in financing activities	<u>(78,998)</u>	<u>(78,856)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(233)</u>	<u>(138)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	15,548	(338,021)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>669,334</u>	<u>1,007,355</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	<u>\$ 684,882</u>	<u>\$ 669,334</u>

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Hold-Key Electric Wire & Cable Co., Ltd.

Opinion

We have audited the accompanying financial statements of Hold-Key Electric Wire & Cable Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. 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.

Revenue Recognition

The Company's revenue from sales of wires and cables to contractors of domestic government projects is recognized upon customers' acceptance of the products in accordance with the agreement. As the amount of revenue is significant to the financial statements, the occurrence of revenue recognition was deemed as a key audit matter for the year ended December 31, 2020.

To address this matter, we evaluated the Company's revenue recognition policy and the design and implementation of internal controls for this type of revenue. We selected samples of the recorded sales revenue and verified them against the contract, customers' acceptance documents, sales orders, etc., and confirmed the occurrence of revenue transactions.

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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 entities or business activities within the Company 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 for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tza-Li Gung and Wen-Yuan Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 22, 2021

Notice to Readers

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

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 677,966	13	\$ 662,288	14
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	167,508	3	144,441	3
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	126,724	3	118,679	3
Financial assets at amortized cost - current (Notes 4, 9 and 28)	14,000	-	16,986	-
Contract assets - current (Notes 4 and 21)	240,070	5	155,721	3
Notes receivable (Notes 4, 10 and 21)	26,483	-	38,547	1
Trade receivables (Notes 4, 10 and 21)	290,463	6	501,587	11
Amounts due from customers for construction contracts (Note 11)	-	-	3,203	-
Other receivables (Note 10)	2,936	-	9,286	-
Inventories (Notes 4, 5 and 12)	755,907	15	817,480	18
Other current assets (Note 17)	38,417	1	48,255	1
Total current assets	<u>2,340,474</u>	<u>46</u>	<u>2,516,473</u>	<u>54</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	990,554	20	581,408	13
Investments accounted for using the equity method (Notes 4 and 13)	55,500	1	58,689	1
Property, plant and equipment (Notes 4, 14 and 28)	1,389,644	28	1,175,721	25
Right-of-use assets (Notes 4 and 15)	4,928	-	21,706	1
Investment properties (Notes 4, 16 and 28)	192,936	4	195,156	4
Deferred tax assets (Notes 4, 5 and 23)	28,136	1	32,351	1
Other non-current assets (Note 17)	27,043	-	40,385	1
Total non-current assets	<u>2,688,741</u>	<u>54</u>	<u>2,105,416</u>	<u>46</u>
TOTAL	<u>\$ 5,029,215</u>	<u>100</u>	<u>\$ 4,621,889</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	\$ 290	-	\$ 171	-
Trade payables to unrelated parties	220,435	4	319,311	7
Trade payables to related parties (Note 27)	-	-	27,069	1
Amounts due to customers for construction contracts (Note 11)	2,066	-	10,802	-
Other payables (Note 18)	82,575	2	80,675	2
Current tax liabilities (Notes 4 and 23)	42,955	1	1,970	-
Lease liabilities - current (Notes 4 and 15)	2,809	-	6,254	-
Other current liabilities (Note 18)	23,001	-	15,654	-
Total current liabilities	<u>374,131</u>	<u>7</u>	<u>461,906</u>	<u>10</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 23)	2,553	-	-	-
Lease liabilities - non-current (Notes 4 and 15)	2,261	-	15,622	-
Other non-current liabilities (Notes 18, 19 and 27)	34,676	1	35,139	1
Total non-current liabilities	<u>39,490</u>	<u>1</u>	<u>50,761</u>	<u>1</u>
Total liabilities	<u>413,621</u>	<u>8</u>	<u>512,667</u>	<u>11</u>
EQUITY (Notes 4, 8 and 20)				
Ordinary shares	<u>2,408,647</u>	<u>48</u>	<u>2,408,647</u>	<u>52</u>
Capital surplus	<u>359,377</u>	<u>7</u>	<u>431,635</u>	<u>9</u>
Retained earnings				
Legal reserve	307,990	6	301,196	7
Special reserve	11,237	-	221,330	5
Unappropriated earnings	<u>1,207,765</u>	<u>24</u>	<u>757,651</u>	<u>16</u>
Total retained earnings	<u>1,526,992</u>	<u>30</u>	<u>1,280,177</u>	<u>28</u>
Other equity	<u>320,578</u>	<u>7</u>	<u>(11,237)</u>	<u>-</u>
Total equity	<u>4,615,594</u>	<u>92</u>	<u>4,109,222</u>	<u>89</u>
TOTAL	<u>\$ 5,029,215</u>	<u>100</u>	<u>\$ 4,621,889</u>	<u>100</u>

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 27)	\$ 2,818,659	100	\$ 2,752,856	100
OPERATING COSTS (Notes 12, 19, 22 and 27)	<u>2,474,138</u>	<u>88</u>	<u>2,581,613</u>	<u>94</u>
GROSS PROFIT	<u>344,521</u>	<u>12</u>	<u>171,243</u>	<u>6</u>
OPERATING EXPENSES (Notes 19, 22 and 27)				
Selling and marketing expenses	56,281	2	63,444	2
General and administrative expenses	38,492	1	37,263	2
Research and development expenses	<u>4,460</u>	<u>-</u>	<u>6,885</u>	<u>-</u>
Total operating expenses	<u>99,233</u>	<u>3</u>	<u>107,592</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>245,288</u>	<u>9</u>	<u>63,651</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 22)	2,551	-	5,651	-
Other income (Note 22)	37,064	1	31,525	1
Other gains and losses (Note 22)	12,488	1	(1,458)	-
Finance costs (Note 22)	(296)	-	(361)	-
Share of loss of subsidiaries (Note 13)	<u>(2,932)</u>	<u>-</u>	<u>(17,591)</u>	<u>-</u>
Total non-operating income and expenses	<u>48,875</u>	<u>2</u>	<u>17,766</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	294,163	11	81,417	3
INCOME TAX EXPENSE (Notes 4, 5 and 23)	<u>52,183</u>	<u>2</u>	<u>13,475</u>	<u>-</u>
NET PROFIT FOR THE YEAR	<u>241,980</u>	<u>9</u>	<u>67,942</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	323	-	(2,696)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	336,584	12	199,036	7

(Continued)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	\$ (257)	-	\$ (41)	-
Other comprehensive income for the year, net of income tax	<u>336,650</u>	<u>12</u>	<u>196,299</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 578,630</u>	<u>21</u>	<u>\$ 264,241</u>	<u>10</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 1.00</u>		<u>\$ 0.28</u>	
Diluted	<u>\$ 1.00</u>		<u>\$ 0.28</u>	

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

(Concluded)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)**

	Retained Earnings						Exchange Differences on Translating Foreign Operations	Other Equity		Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	
BALANCE AT JANUARY 1, 2019	\$ 2,408,647	\$ 503,895	\$ 301,196	\$ 136,491	\$ 788,342	\$ 1,226,029	\$ 6,103	\$ (227,433)	\$ (221,330)	\$ 3,917,241
Appropriation of the 2018 earnings Special reserve	-	-	-	84,839	(84,839)	-	-	-	-	-
Issuance of cash dividends from capital surplus	-	(72,260)	-	-	-	-	-	-	-	(72,260)
Net profit for the year ended December 31, 2019	-	-	-	-	67,942	67,942	-	-	-	67,942
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	(2,696)	(2,696)	(41)	199,036	198,995	196,299
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	65,246	65,246	(41)	199,036	198,995	264,241
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(11,098)	(11,098)	-	11,098	11,098	-
BALANCE AT DECEMBER 31, 2019	2,408,647	431,635	301,196	221,330	757,651	1,280,177	6,062	(17,299)	(11,237)	4,109,222
Appropriation of the 2019 earnings Legal reserve	-	-	6,794	-	(6,794)	-	-	-	-	-
Reversal of special reserve	-	-	-	(210,093)	210,093	-	-	-	-	-
Issuance of cash dividends from capital surplus	-	(72,258)	-	-	-	-	-	-	-	(72,258)
Net profit for the year ended December 31, 2020	-	-	-	-	241,980	241,980	-	-	-	241,980
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	323	323	(257)	336,584	336,327	336,650
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	242,303	242,303	(257)	336,584	336,327	578,630
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	4,512	4,512	-	(4,512)	(4,512)	-
BALANCE AT DECEMBER 31, 2020	\$ 2,408,647	\$ 359,377	\$ 307,990	\$ 11,237	\$ 1,207,765	\$ 1,526,992	\$ 5,805	\$ 314,773	\$ 320,578	\$ 4,615,594

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

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 294,163	\$ 81,417
Adjustments for:		
Depreciation expenses	74,364	91,303
(Reversal of) expected credit loss on trade receivables	(2,089)	2,607
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(23,067)	(19,998)
Finance costs	296	361
Interest income	(2,551)	(5,651)
Dividend income	(28,766)	(21,284)
Share of (profit) loss of subsidiaries	2,932	17,591
Loss (gain) on disposal of property, plant and equipment	8,674	(1,432)
Impairment loss recognized on property, plant and equipment	-	14,718
Write-downs of inventories	1,850	4,812
Reversal of write-downs of inventories	(9,500)	(32,500)
Net loss (gain) on foreign currency exchange	421	(723)
Other non-cash items	(8)	-
Changes in operating assets and liabilities		
Contract assets	(84,599)	(155,721)
Notes receivable	12,020	(18,058)
Trade receivables	213,189	(138,452)
Amounts due from customers for construction contracts	3,203	210
Other receivables	6,098	(7,688)
Inventories	69,223	(204,500)
Other current assets	9,838	(23,583)
Notes payable	119	(1,358)
Trade payables	(126,045)	179,155
Amounts due to customers for construction contracts	(8,736)	(2,115)
Other payables	2,198	14,931
Other current liabilities	7,347	(2,245)
Other non-current liabilities	(59)	(5)
Cash generated from (used in) operations	420,515	(228,208)
Interest paid	(296)	(361)
Income tax paid	(4,511)	(8,402)
Net cash generated from (used in) operating activities	<u>415,708</u>	<u>(236,971)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(94,554)	(50,551)
Proceeds from sale of financial assets at fair value through other comprehensive income	4,694	46,270
Proceeds from capital reduction by return of shares - financial assets at FVTOCI	9,253	16,986
Purchase of financial assets at amortized cost	(28,000)	(57,375)

(Continued)

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
Proceeds from sale of financial assets at amortized cost	\$ 30,986	\$ 57,375
Payments for property, plant and equipment	(258,078)	(39,898)
Proceeds from sale of property, plant and equipment	-	1,917
Increase in refundable deposits	(14,189)	(30,919)
Decrease in refundable deposits	12,557	34,421
Payments for investment properties	(529)	(2,000)
Increase in prepayments for equipment	(15,427)	(23,954)
Interest received	2,801	5,633
Other dividends received	<u>28,766</u>	<u>21,284</u>
Net cash used in investing activities	<u>(321,720)</u>	<u>(20,811)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from guarantee deposits received	45	138
Refunds of guarantee deposits received	(45)	(138)
Repayment of the principal portion of lease liabilities	(6,052)	(5,913)
Cash dividends from capital surplus	<u>(72,258)</u>	<u>(72,260)</u>
Net cash used in financing activities	<u>(78,310)</u>	<u>(78,173)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,678	(335,955)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>662,288</u>	<u>998,243</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 677,966</u>	<u>\$ 662,288</u>

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

(Concluded)

Attachment 5:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

2020 earnings distribution statement

Unit: NT\$

<u>Note</u>	<u>Amount</u>
Unappropriated retained earnings, beginning of period	960,949,116
Remeasurements of defined benefit plans recognized in retained earnings	323,577
Disposal of equity instrument investments at fair value through other comprehensive profit and loss, the cumulative gains and losses are directly transferred to retained earnings	4,511,672
Unappropriated retained earnings, after adjustment	<u>965,784,365</u>
Net profits for the period	241,980,526
Add: Reversal of appropriated retained earnings	11,237,109
Less: Provision for legal reserve	<u>(24,681,578)</u>
Distributable earnings for the period	<u>1,194,320,422</u>
Distribution items:	
Shareholder cash dividends	-
Shareholder stock dividends	-
Unappropriated retained earnings, end of period	<u><u>1,194,320,422</u></u>

Chairperson: Biqi Yang

Officer: Xinzheng Li

Accounting officer: Tingyi Zhou

Attachment 6:

**HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD.
Comparison of the Previous and the Amended Article of
Incorporation of the Company**

Article Order	Provisions after amendment	Provisions before amendment	Basis and reason for amendment
Article 14	<p>The Company shall have <u>7 to 11</u> directors, and adopt the candidate nomination system under Article 192-1 of the Company Act. The directors shall be selected in a shareholder meeting from the list of candidates for a 3-year term and are eligible for re-election. The total number of shares held by the directors shall not be less than the percentage stipulated by the competent authority.</p> <p>Paragraph 2 (Omitted)</p> <p>The Company has established the Audit Committee to <u>replace the supervisor authority in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is composed of all independent directors, the number of which must not be less than three, and its exercise of powers of office and related matters shall be handled in accordance with the relevant regulations of the competent securities authority.</u></p>	<p>The Company shall have <u>five to nine</u> directors, and adopt the candidate nomination system under Article 192-1 of the Company Act. The directors shall be selected in a shareholder meeting from the list of candidates for a 3-year term and are eligible for re-election. The total number of shares held by the directors shall not be less than the percentage stipulated by the competent authority.</p> <p>Paragraph 2 (Omitted)</p> <p>Since the <u>eleventh term (completely re-elected in 2019)</u>, the Company has established the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is composed of all independent directors, the number of which must not be less than three, and its exercise of powers of office and related matters shall be handled in accordance with the relevant regulations of the competent securities authority.</p> <p><u>The supervisor system was abolished on the day of the establishment of the Audit Committee, and this change shall be effective after the 2019-year term expires..</u></p>	Reserve the flexibility of the Company's director re-election according to the actual situation for future modification and deletion.
Article 20 - 1	<p>1st ~ 3rd paragraphs (omitted)</p> <p><u>The Board of Directors is authorized to distribute dividends and bonuses, from capital surplus or legal reserve in whole or in part in the form of cash by the presence of at least two-thirds of the directors and by a resolution of a majority of the directors present, and to report to the shareholders' meeting, without applying the provisions of this Article to the shareholders' meeting for resolution.</u></p>	1st ~ 3rd paragraphs (omitted)	Added the provisions of the 4th paragraph
Article 22	<p>This Article was established on February 15, 1989</p> <p><u>The 33nd amendment was made on June 28, 2021</u></p>	<p>This Article was established on February 15, 1989</p> <p>The 32nd amendment was made on June 29, 2020.</p>	Add the date and number of amendments

Attachment 7:

**HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD
Comparison of the Previous and the Amended Procedure for
Shareholder Meeting**

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
Article 2	<p>The first, second and third paragraphs are omitted. The election or dismissal of directors, change of the Article of Incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of earnings to capital, transfer of reserves to capital, dissolution, merger, demerger, or the matters set forth in Paragraph 1 of Article 185 of the Company Act, Article 26-1 and 43-6 of the <u>Securities and Exchange Act</u>, <u>Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u>, should be listed and explained in the cause for convening and must not be proposed as extraordinary motions.</p> <p>The fifth paragraph is omitted. Shareholders holding more than 1% of the total number of issued shares may submit a proposal to the Company for an regular shareholder meeting. However, the number of items in the proposal is limited to one, proposal containing more than one item will not be included in the meeting agenda. In addition, when any of the circumstances of Paragraph 4 of Article 172-1 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude it from the meeting agenda. Shareholders <u>may submit proposals</u> to urge the Company to promote public interests or fulfill its social responsibilities. <u>In terms of procedures, the number of items in the proposals should be limited to one in accordance with the relevant provisions of Article 172-1 of the Company Act. Any proposal with more than one item shall</u></p>	<p>The first, second and third paragraphs are omitted. The election or dismissal of directors, change of the Article of Incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of earnings to capital, transfer of reserves to capital, dissolution, merger, demerger, or the matters set forth in Paragraph 1 of Article 185 of the Company Act should be listed and explained in the cause for convening and must not be proposed as extraordinary motions; the main contents thereof should be stated, and shall not be proposed by extraordinary motions; the main contents thereof may be stated on the website designated by the competent securities authority or the Company, and the website address should be included in the notice; <u>the main content may be placed on the website designated by the securities authority or the Company, and the website address shall be included in the notice</u> .</p> <p>The fifth paragraph is omitted. Shareholders holding more than 1% of the total number of issued shares may submit a proposal to the Company for an regular shareholder meeting. However, the number of items in the proposal is limited to one, proposal containing more than one item will not be included in the meeting agenda. <u>However, if the shareholder's proposal is to urge the Company to promote public interests or fulfill its social responsibilities, the Board of Directors may include it in the meeting agenda.</u> In addition, when any of the circumstances of Paragraph 4 of Article 172-1 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude it from the meeting agenda.</p>	<p>To prevent the Company from misunderstanding that matters other than those listed in the first Paragraph of Article 185 of the Company Act can be proposed by extraordinary motions, so include the regulations listed in the original provisions before amendment that other regulations than those listed in the Company Act cannot be proposed by extraordinary motions. Adjust the announcement method to match the provisions.</p> <p>In accordance with the revisions of laws and regulations</p>

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
	<u>not be included in the meeting agenda.</u> The following are omitted.	The following are omitted.	
Article 3 (Original Article 4)	Omitted.	Omitted.	Adjust Article order
Article 4 (Original Article 5)	Omitted.	Omitted.	Adjust Article order
Article 5 (Original Article 3)	Omitted.	Omitted.	Adjust Article order
Article 8	Article I omitted At the time of the meeting, the chair shall immediately call the meeting to order and <u>at the same time announce the number of non-voting shares and the number of shares present, and other relevant information.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement. No more than two such postponements, for a combined total of no more than one hour, may be made. When there are still insufficient attending shareholders representing more than one-third of the total issued shares after two postponements, the chair shall announce the meeting to be aborted. The following are omitted.	Article I omitted The chair should call the meeting to order at the scheduled 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. No more than two such postponements, for a combined total of no more than one hour, may be made. When there are still insufficient attending shareholders representing more than one-third of the total issued shares after two postponements, the chair shall announce the meeting to be aborted. The following are omitted.	To enhance corporate governance and protect the interests of shareholders, the second paragraph was amended.
Article 13	In the event of an election of directors in a shareholder meeting, the election results, including the list of elected directors and the number of their elected rights, and <u>the list of unsuccessful candidates for directors and supervisors and the number of election rights they received</u> should be announced on the spot in accordance with the relevant election regulations established by the Company. <u>The ballots for the election mentioned in the preceding paragraph should be sealed and signed by the monitoring personnel, and then properly kept for at least one year.</u> <u>However, if any shareholder files a lawsuit in accordance with Article 189 of the Company Act, they should be kept the lawsuit is ended.</u>	In the event of an election of directors in a shareholder meeting, the election results, including the list of elected directors and the number of their elected rights, should be announced on the spot in accordance with the relevant election regulations established by the Company.	To enhance corporate governance and protect the interests of shareholders, the 1st paragraph was amended. Add the content of the second paragraph.
Article 16 (Original Article 17)	Omitted.	Omitted.	Adjust Article order
Article 17 (Original Article 16)	Omitted.	Omitted.	Adjust Article order
Article 19	This procedure will be implemented after approved by a shareholder meeting, and the same applies to amendments. <u>The 10th amendment was made on June 28, 2021.</u>	This procedure will be implemented after approved by a shareholder meeting, and the same applies to amendments. <u>The 9th amendment was made on June 29, 2020.</u>	Add the date and number of amendments.

Attachment 8:

**HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD
Comparison of the Previous and the Amended Procedure for
Election of Directors**

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
Article 4	<p>The election of the Company's directors should be conducted in accordance with the procedures of the candidate nomination system set forth in Article 192 of the Company Act. The methods of acceptance of nomination and announcements shall be made in accordance with the Company Act, Securities and Exchange Act and other relevant laws and regulations.</p> <p>If there are fewer than five directors due to dismissal of directors, the Company shall hold a by-election at the next shareholder meeting. However, if the vacancy of directors reaches one-third of the number of seats specified in the Article of Incorporation, the Company should hold a special shareholder meeting for a by-election within 60 days from the date of the occurrence of the event.</p> <p>If the number of independent directors is not sufficient as set forth in the proviso Paragraph 1 of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the next shareholder meeting; when independent directors are dismissed, a special shareholder meeting should be held for a by-election within 60 days from</p>	<p><u>The Company should adopt the cumulative voting system for the election of directors. Each share should have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates, unless otherwise required by laws and regulations. The Board of Directors should prepare election ballots corresponding to the number of directors to be elected, specify the number of voting rights on the ballots and distribute the ballots to the shareholders attending the shareholder meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</u></p> <p>The election of the Company's directors should be conducted in accordance with the procedures of the candidate nomination system set forth in Article 192 of the Company Act. The methods of acceptance of nomination and announcements shall be made in accordance with the Company Act, Securities and Exchange Act and other relevant laws and regulations.</p> <p>If there are fewer than five directors due to dismissal of directors, the Company shall hold a by-election at the next shareholder meeting. However, if the vacancy of directors reaches one-third of the number of seats specified in the Article of Incorporation, the Company should hold a special shareholder meeting for a by-election within 60 days from the date of the occurrence of the event.</p> <p>If the number of independent directors does not meet the proviso Paragraph 1 of Article 14-2, item 8 of the Securities and Exchange Act, <u>the relevant provisions of the Taiwan Stock Exchange Corporation "Rules Governing Review of Securities Listings or the Standards for Determining Unsuitability for TPEX Listing under Article 10,</u></p>	<p>The deleted content of this paragraph is added to Article 5 and Article 6.</p> <p>In accordance with the needs for listed companies to adequately appoint independent directors, adjust paragraph 3.</p>

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
	the date of the occurrence of the event.	<u>Paragraph 1 of the "Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX", a by-election should be held at the next shareholder meeting. When independent directors are dismissed, a special shareholder meeting should be held for a by-election within 60 days from the date of the occurrence of the event.</u>	
Article 5	<u>The Company should adopt the cumulative voting system for the election of directors. Each share should have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates, unless otherwise required by laws and regulations.</u>		This article is newly added with the deleted content of Article 4.
Article 6	<u>The Board of Directors should prepare election ballots corresponding to the number of directors to be elected, specify the number of voting rights on the ballots and distribute the ballots to the shareholders attending the shareholder meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</u>		This article is newly added with the deleted content of Article 4.
(Original Article 7)		<u>If a candidate is a shareholder, voters must indicate the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the candidate's name and identification number should be indicated. However, when the candidate is a governmental or a juristic person, the name of the governmental or the juristic person should be indicated in the column for the candidate's account name on the ballot, or both the name of the government or the juristic person and the name of its representative can be indicated. When there are several representatives, the names of each representative should be indicated respectively.</u>	Original Article 7 is deleted. In accordance with the requirement that the candidate nomination system should be adopted from 2021, shareholders should choose from the list of candidates for directors. Shareholders can learn the names, educations, experiences and other information of the candidates from the list of candidates before shareholder meeting. It is unnecessary to use shareholder account number or identification number as a reference to the candidate's

Article order	Provisions after amendment	Provisions before amendment	Amendment basis and reason
			identity so the article is deleted.
Article 7 (Original Article 5)	Omitted.	Omitted.	Adjust Article order
Article 8 (Original Article 6)	Omitted.	Omitted.	Adjust Article order
Article 9 (Original Article 8)	<p>A ballot is invalid if one of the following is true:</p> <p>(i) Do not use ballots prepared by <u>persons with the convening right.</u></p> <p>(ii) Put void ballots into the ballot box.</p> <p>(iii) The handwriting is blurred and unrecognizable or has been altered.</p> <p>(iv) The names of the persons to be elected do not match <u>with the list of director candidates after verification.</u></p> <p>(v) In addition to the number of voting rights allocated, other words are included.</p>	<p>A ballot is invalid if one of the following is true:</p> <p>(i) Do not use ballots prepared by <u>Board of Directors.</u> .</p> <p>(ii) Put void ballots into the ballot box.</p> <p>(iii) The handwriting is blurred and unrecognizable or has been altered.</p> <p>(iv) If the person to be elected <u>is a shareholder, his or her account name or shareholder account number does not match with the shareholder roster; if the person to be elected is not a shareholder, his or her name and identification number do not match after verification.</u></p> <p>(v) In addition to <u>the account name (name) and shareholder account number (identification number) of the person to be elected</u> and the number of voting rights allocated, other words are included.</p> <p>(vi) <u>The name of the person to be elected is the same as that of other shareholders without the shareholder's account number or identification number to discern them.</u></p>	<p>In accordance with Article 173 of the Company Act, shareholders may, under certain circumstances and with the permission of the competent authority, convene themselves, so adjust the first paragraph of this Article.</p> <p>In addition, in accordance with the requirement that the candidate nomination system should be adopted by listed companies starting from 2021, shareholders should choose from the list of director candidates, so paragraphs 4 and 5 of this Article are adjusted and paragraph 6 is deleted</p>
Article 10 (Original Article 9)	<p>After the voting is completed, the ballot box should be opened on the spot. The results of the voting shall be announced by the chair on the spot, including the list of directors elected and the number of their elected rights.</p> <p><u>The ballots for the election mentioned in the preceding paragraph should be sealed and signed by the monitoring personnel, and then properly kept for at least one year. However, if any shareholder files a lawsuit in accordance with Article 189 of the Company Act, they should be kept until the end of the lawsuit</u></p>	<p>After the voting is completed, the ballot box should be opened on the spot. The results of the voting shall be announced by the chair on the spot, including the list of directors elected and the number of their elected rights.</p>	<p>Add the content of the second paragraph.</p>
Article 11 (Original Article 10)	Omitted.	Omitted.	Adjust Article order
Article 12 (Original Article 11)	<p>This procedure will be implemented after approved by a shareholder meeting, and the same applies to amendments. The 8th amendment was made on June 24, 2019.</p> <p><u>The 10th amendment was made on June 28, 2021.</u></p>	<p>This procedure will be implemented after approved by a shareholder meeting, and the same applies to amendments. The 9th amendment was made on June 29, 2020.</p>	<p>Add the date and number of amendments.</p>

Appendix 1:**HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD
Directors' shareholding**

1. According to the provisions of Article 4 of "Regulations Governing the Use of Proxies for Attendance at Shareholder Meeting of Public Companies", disclose the number of shares held by all directors of the Company as recorded in the shareholder roster on the date for suspension of share transfer for the 2021 regular shareholder meeting (2021.4.30) as follows:
2. The total issued capital stock of the Company is 240,864,684 shares. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the minimum number of shares that all directors should hold is 5% (12,000,000 shares), and the Company is in compliance with laws and regulations. .
3. Shareholding details:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD**Directors' shareholding**

Title	Name	Shareholding	Shareholding %	Note
Chairperson	SOL YOUNG ENTERPRISES CO., LTD. Representative: Biqi Yang	77,556,914	32.20%	10% major shareholder
Director	Kaiti Yang	1,969,401	0.82%	
Director	Yisen Lai	2,000,662	0.83%	
Director	Suyuan Yu	761,749	0.32%	
Director	Xinzheng Li	1,329	-	
Director	BOND-GALV INDUSTRIAL CO., LTD.	2,912,498	1.21%	
Independent director	Rongsui Weng	-	-	
Independent director	Wencheng Shen	-	-	
Independent director	Shizhen Chen	-	-	
Total	Night directors in total	85,202,553	35.38%	The legally specified percentage has been reached

Appendix 2:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Article of Incorporation

Chapter 1 General principles

- Article 1: The Company is organized in accordance with the provisions of the Company Act and is named HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD
- Article 2: The Company's scope of business is as follows:
1. CA02080 Metal Forging.
 2. F401010 International Trade.
 3. E601010 Electric Appliance Construction.
 4. E599010 Piping Engineering.
 5. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.
 6. H703100 Real Estate Leasing.
 7. CC01020 Electric Wires and Cables Manufacturing.
 8. E603010 Cable Installation Engineering.
 9. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery.
 10. CC01080 Electronics Components Manufacturing.
 11. F113020 Wholesale of Electrical Appliances.
 12. F114080 Wholesale of Track Vehicle and Component Parts Thereof.
 13. F214080 Retail Sale of Track Vehicle and Component Parts Thereof.
 14. CD01020 Rail Vehicle and Parts Manufacturing.
 15. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The total reinvestment of the Company is not subject to the restriction that it may not exceed 40% of the Company's paid-in capital as stipulated in Article 13 of the Company Act.
The Company can provide guarantee externally.
- Article 4: The Company has its head office in Taipei City. When necessary, branches may be established domestically and abroad by the resolution of the Board of Directors.
- Article 5: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 6: The total capital of the Company is set at NT\$3,200 million, divided into NT\$320 million shares, each with a denomination of NT\$10, issued in installments, and unissued shares are subject to actual needs by resolution of the Board of Directors.
21 million shares of the total capital in the first paragraph are reserved for the issuance of stock option certificates.
- Article 7: The shares issued by the Company may be exempted from printing stocks in accordance with the Company Act, but the shares should be registered with the centralized securities depository institution. If the Company prints stocks, the stocks are all registered, signed or sealed by the directors representing the Company, and issued after obtaining a certification from a bank permitted by law for issuance and certification of stocks.

- Article 8: Unless otherwise required by laws and regulations, the handling of the Company's stock affairs shall be in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".
- Article 9: The changes to the Company's shareholder roster shall cease within 60 days before a regular shareholder meeting, within 30 days before a special shareholder meeting, or within 5 days before the base date when the Company decides to distribute dividends and bonuses or other benefits.

Chapter 3 shareholder meeting

- Article 10: There are two types of shareholder meeting: regular and special. The regular meeting is held once a year and shall be convened by the Board of Directors in accordance with the law within six months after the end of each fiscal year. A special meeting can be convened according to the law when necessary. If a shareholder meeting is convened by the Board of Directors, the chairperson of the board shall chair the meeting; if the meeting is convened by someone with the convening right but other than the Board of Directors, the chair of the meeting shall be the person with the convening right, and if there are more than two such persons, one of them shall be elected as the chair of the meeting.
- Article 11: When a shareholder is unable to attend the shareholder meeting for some reason, the proxy form issued by the Company shall be provided, specifying the scope of authorization, and a proxy shall be appointed to attend.
- Article 12: The shareholders of the Company have one voting right per share. However, there will be no voting right when the Company has any occurrence of a situation stipulated in Article 179 of the Companies Act and other laws and regulations.
- Article 13: Unless otherwise required by the Company Act, a resolution in a shareholder meeting should be made with the presence of shareholders representing a majority of the total number of outstanding shares and with the consent of a majority of the voting rights of the shareholders present.
In accordance with the regulations of the competent authority, the shareholders of the Company may also exercise their voting rights in writing or electronically. Shareholders who exercise their voting rights in writing or electronically are considered to be present in person, and their relevant matters shall be handled in accordance with the provisions of laws and regulations.

Chapter 4 Directors and Audit Committee

- Article 14: The Company shall have five to nine directors, and adopt the candidate nomination system under Article 192-1 of the Company Act. The directors shall be selected in a shareholder meeting from the list of candidates for a 3-year term and are eligible for re-election. The total number of shares held by the directors shall not be less than the percentage stipulated by the competent authority.
Regarding the number of directors in the preceding paragraph, the number of independent directors must not be less than three, and must not be less than one-fifth of the number of directors. The shareholder meeting shall select from the list of candidates for independent directors. The professional qualifications, restrictions on shareholding and concurrent employment, assessment of independence, method of nomination and other compliance matters concerning independent directors shall be in accordance with the relevant regulations of the

competent authority. Unless otherwise required by laws and regulations, independent directors and non-independent directors shall be elected at the same time, but their respective elected numbers should be calculated separately.

Since the eleventh term (completely re-elected in 2019), the Company has established the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is composed of all independent directors, the number of which must not be less than three, and its exercise of powers of office and related matters shall be handled in accordance with the relevant regulations of the competent securities authority. The supervisor system was abolished on the day of the establishment of the Audit Committee, and this change shall be effective after the 2019-year term expires..

Article 15: The board meeting is organized by directors and a chairperson shall be elected to represent the Company externally from among the directors by a majority vote at a meeting attended by more than two-thirds of the directors.

The reason should be stated when convening the board meeting, and the directors should be notified seven days in advance. However, in case of emergency, the board meeting may be convened at any time.

The convening of the meeting mentioned in the preceding paragraph shall be notified in writing, fax or email.

Article 16: If the chairperson asks for leave or is unable to exercise the powers of office for some reason, his or her proxy shall handle affairs in accordance with Article 208 of the Company Act. When a director fails to attend the board meeting in person, in accordance with Article 205 of the Company Act, other directors can be entrusted as a proxy in the board meeting. However, if a video conference is used, the directors who participate in the meeting by video shall be deemed to have attended the meeting in person.

Article 17: All directors are entitled to remuneration, and the Board of Directors is authorized to determine the amount based on their individual participation in the Company's operations and the value of their contribution with reference to the usual standards of the industry. Regarding the remuneration of independent directors, a reasonable remuneration different from that of non-independent directors may be determined at discretion.

The Company may purchase liability insurance for the directors during their term of office for the scope of business performed by the directors.

Chapter 5 Managerial officer

Article 18: The Company may have a number of managerial officers whose appointment, dismissal and remuneration are governed by Article 29 of the Company Act.

Chapter 6 Accounting

Article 19: The Company's fiscal year starts from January 1st to December 31st. The final accounts shall be processed at the end of the year. The Board of Directors shall prepare the following list, submit it to the Audit Committee for review, present it to the shareholder meeting for ratification, and report it to the competent authority for evaluation and approval in accordance with the law.

1. business report
2. financial statements
3. Various schedules such as earnings distribution or loss off-setting proposal.

Article 20: If the Company makes profits during the year, it should allocate 1% to 5% of the profits for the current year as employee remuneration and no more than 2.5% of the profits for the current year as director remuneration; The method of payment of employee remuneration is determined by a special resolution of the Board of Directors; employee remuneration and director remuneration should be reported to the shareholder meeting. However, when the Company still has accumulated losses, it should reserve the off-setting amount in advance.

The allocation basis is calculated on the balance of the profits for the current year (i.e., profits before tax and employee and director remuneration) after deducting accumulated losses.

Article 20-1: The Company is in the growth stage of business development, and in accordance with the characteristics of environment and industry and the needs of long-term financial planning, the dividend policy is determined by taking into account investment fund, financial structure and earnings to determine the amount and type of earnings distribution accordingly.

If there are earnings surplus in the Company's annual final accounts, it should provide for tax payables in accordance with the law, make up for the accumulated losses, then set aside 10% as legal reserve but when the legal reserve has reached the amount of the Company's paid-in capital, it may no longer be set aside. After the appropriated retained earnings are set aside or reversed in accordance with laws and regulations, the remainder together with the accumulated unappropriated retained earnings of the previous year may be treated as distributable retained earnings, and the Board of Directors shall prepare a distribution proposal and submit it to the shareholder meeting for a resolution to distribute dividends to shareholders. The cash dividends to shareholders shall not be less than 10% of the total amount of dividends distributed to shareholders in the year.

The ratio of this earnings distribution and the ratio of stock dividends to cash dividends may be proposed by the Board of Directors depending on the actual profits and capital position of the year.

Chapter 7 Supplementary provisions

Article 21: Matters not covered in this Article of Incorporation shall be handled in accordance with the provisions of the Company Act.

Article 22: This Article was established on February 15, 1989
The 25th amendment was made on June 25, 2012.
The 26th amendment was made on June 20, 2013.
The 27th amendment was made on June 23, 2014.
The 28th amendment was made on June 22, 2015.
The 29th amendment was made on June 27, 2016.
The 30th amendment was made on June 29, 2018.
The 31st amendment was made on June 24, 2019.
The 32nd amendment was made on June 29, 2020.

Appendix 3:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD Rules of Procedure for Shareholder Meeting

Article 1: The Company's procedure for shareholder meeting should be governed by the rules unless otherwise required by laws and regulations.

Article 2: The Company's shareholder meeting shall be convened by the Board of Directors unless otherwise required by laws and regulations.

This Company should prepare electronic versions of the shareholder meeting notice, proxy forms, and the causes and explanations of proposals for ratification or discussion, or the election or dismissal of directors, and upload them to the Market Observation Post System 30 days before a regular shareholder meeting or 15 days before a special shareholder meeting. And 21 days before a regular shareholder meeting or 15 days before a special shareholder meeting, the electronic versions of the shareholder meeting handbook and supplementary materials of the meeting shall be prepared and uploaded to the Market Observation Post System. The meeting handbook and supplementary materials of the meeting should be made available to shareholders at any time 15 days before the shareholder meeting, and are exhibited on the premises of the Company and the professional stock affairs agency appointed by the Company, and are distributed on-site in the shareholder meeting.

The notice and announcement should specify the causes for convening the meeting; with the consent of the corresponding party, the meeting notice may be given in an electronic form.

The election or dismissal of directors, change of the Article of Incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of earnings to capital, transfer of reserves to capital, dissolution, merger, demerger, or the matters set forth in Paragraph 1 of Article 185 of the Company Act should be listed and explained in the cause for convening and must not be proposed as extraordinary motions; the main contents thereof should be stated, and shall not be proposed by extraordinary motions; the main contents thereof may be stated on the website designated by the competent securities authority or the Company, and the website address should be included in the notice.

Where re-election of all directors and the date of their assumption of offices are stated in the causes for convening the shareholder meeting, after the completion of the re-election in the meeting such date of their assumption of offices may not be altered by any extraordinary motion or other means in the same meeting.

Shareholders holding more than 1% of the total number of issued shares may submit a proposal to the Company for an regular shareholder meeting. However, the number of items in the proposal is limited to one, proposal containing more than one item will not be included in the meeting agenda. However, if the shareholder's proposal is to urge the Company to promote public interests or fulfill its social responsibilities, the Board of Directors may include it in the meeting agenda. In addition, when any of the circumstances of Paragraph 4 of Article 172-1 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude it from the meeting agenda.

Prior to the date for suspension of stock transfer before a regular shareholder meeting is held, the Company should publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals must not be less than 10 days.

A shareholder proposal is limited to 300 words. If it exceeds 300 words, the proposal shall not be included in the meeting agenda; the proposing shareholder should attend the shareholder meeting in person or entrust others to attend and participate in the discussion of the proposal.

Prior to the date for issuance of shareholder meeting notice, the Company should inform the proposing shareholder of the proposal screening results, and shall list the proposals that conform to the provisions of this regulation in the meeting notice. For shareholder proposals that are not included in the meeting agenda, the Board of Directors should explain the reasons for their not being included in the shareholder meeting.

Article 3: The Company should specify in its shareholder meeting notice 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, should be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted should be clearly marked and a sufficient number of suitable personnel should be assigned to handle the registrations.

Shareholders or their proxies (hereinafter referred to as the shareholders) should present attendance cards, sign-in cards, or other attendance certificates to attend a shareholder meeting. The Company must not arbitrarily add requirements for other documents from the shareholders in support of their eligibility to attend. Solicitors seeking proxy forms should also bring identification documents for verification.

The Company should furnish a sign-in book for attending shareholders, or the attending shareholders may hand in a sign-in card instead.

The Company should furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker slips, voting ballots, and other meeting materials. Where there is an election of directors, election ballots should also be furnished.

When the shareholder is a government or a juristic person, the number of representatives to attend the shareholder meeting is not limited to one. When a juristic person is entrusted to attend a shareholder meeting, only one representative can be appointed to attend.

Article 4: A shareholder may appoint a proxy to attend a shareholder meeting at each shareholder meeting by presenting a proxy form issued by the Company, stating the scope of authorization.

A shareholder shall issue only one proxy form and appoint only one proxy, and should deliver the proxy form to the Company five days before the shareholder meeting, and in the event of duplicate proxies, the one received earliest shall prevail. However, this does not apply to the situation where a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, 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: The location for a shareholder meeting should be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholder meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6: If a shareholder meeting is convened by the Board of Directors, the chairperson of the board shall chair the meeting. When the chairperson is on leave or for any reason unable to exercise the powers of office, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of office, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or 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. The same applies if the chair is a representative of a juristic-person director.

For the shareholders meeting convened by the Board of Directors, the chairperson of the board should preside in person, and a majority of the directors of the board, at least one independent director, and at least one representative of various functional committees should attend, and the attendance should be recorded in the shareholder meeting minutes. If a shareholder meeting is convened by someone with the convening right but other than the Board of Directors, the convening person shall chair the meeting and if there are more than two such persons, one of them shall be elected as the chair of the meeting.

The Company may appoint lawyers, independent auditors, or related personnel to attend the shareholder meeting.

Article 7: The Company, beginning from the time it accepts shareholder attendance registrations, should make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholder meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph should be kept for at least one year.

However, if any shareholder files a lawsuit in accordance with Article 189 of the Company Act, they shall be kept until the end of the lawsuit.

Article 8: Attendance in a shareholder meeting should be calculated based on numbers of shares. The number of shares in attendance shall be calculated based on the shares indicated by the sign-in book or sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair should call the meeting to order at the scheduled 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. No more than two such postponements, for a combined total of no more than one hour, may be made. When there are still insufficient attending shareholders representing more than one-third of the total issued shares after two postponements, the chair shall announce the meeting would be aborted.

When there are still insufficient attending shareholders representing more than one-third of the total issued shares after two postponements, a tentative resolution may be adopted in accordance with Article 175, Paragraph 1 of the Company Act and all shareholders shall be notified of the tentative resolution and another shareholder meeting shall be convened within one month.

Before the conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chair may submit a tentative resolution for voting by the shareholder meeting in accordance with Article 174 of the Company Act.

Article 9: If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals of that meeting). The meeting should proceed in the order set by the agenda, which may not be changed without a resolution of the shareholder meeting.

If a shareholder meeting is convened by someone with the convening right but other than the Board of Directors, the provisions of the preceding paragraph shall apply *mutatis mutandis*.

The chair must not declare the meeting adjourned before conclusion of the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholder meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors should 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 shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to voting, the chair may announce the discussion closed, call for voting, and schedule sufficient time for voting.

Article 10: Before speaking, an attending shareholder must specify the subject of the speech on a speaker slip, his or her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

An attending shareholder who has submitted a speaker 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 slip, the spoken content shall prevail.

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

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 topic, the chair may terminate the speech.

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

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

Article 11: Voting in a shareholder meeting should be calculated based on numbers of shares.

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

When a shareholder has an personal interest in relation to an agenda item that would compromise the interests of the Company, that shareholder must not vote on that item, and must not exercise voting right as proxy for any other shareholder.

The number of shares for which voting rights are not allowed to be exercised in the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Except for a trust enterprise or a stock affairs agency approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights of that proxy must not exceed 3% of the voting rights of 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 12: A shareholder shall have one voting right per share, except when the shares are restricted shares or have no voting rights under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall allow exercise of voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise should be specified in the shareholder meeting notice. A shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the meeting in person, But his or her rights shall be considered abstained with respect to the extraordinary motions and amendments to original proposals of that meeting; so the Company should avoid submitting extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph should deliver a written declaration of intent to the Company two days before the shareholder meeting. In the event of duplicate declarations of intent, the one received earliest shall prevail. Except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, if the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph should be made to the Company, by the same means by which the voting rights were exercised, two days before the shareholder meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights by correspondence or electronic means and also appointed a proxy to attend the shareholder meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Unless otherwise required by the Company Act and by the Company's Article of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights of the attending shareholders. At the time of voting, the chair or the person designated by the chair should first announce the total number of voting rights of the attending shareholders for each proposal, then the shareholders shall vote on each proposal. On the same day after the meeting, the results of shareholders' approvals, disapprovals and abstentions, shall be entered into the Market Observation Post System.

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 voting. When any one among them is passed, the others will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for voting on a proposal shall be appointed by the chair, but all monitoring personnel should be shareholders.

Vote counting for shareholder meeting proposals or elections should be conducted in a public place in the shareholder meeting. Immediately after vote counting has been completed, the results of the voting, including the statistics of the number of rights, shall be announced on the spot in the meeting, and recorded

Article 13: In the event of an election of directors in a shareholder meeting, the election results, including the list of elected directors and the number of their elected rights, should be announced on the spot in accordance with the relevant election regulations established by the Company.

Article 14: Resolutions of a shareholder meeting should be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair and distributed to each shareholder within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by a public announcement through the Market Observation Post System

The meeting minutes should accurately record the year, month, day, and place of the meeting, the chair's name, the methods of resolution ratification, and a summary of the discussions and voting results (including statistics of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors.

The minutes should be kept for the duration of the existence of the Company.

Article 15: On the day of a shareholder meeting, the Company should compile in the prescribed format a statistical statement of the number of shares obtained by solicitors and the number of shares represented by proxies, and shall make an express disclosure in the shareholder meeting.

If a resolution in a shareholders meeting constitute material information required by relevant laws or regulations or by Taiwan Stock Exchange, the Company should transmit the content of such resolution to the Market Observation Post System within the prescribed time period.

Article 16: 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 place cannot be further used and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholder meeting may ratify a resolution to resume the meeting at another place.

Article 17: The chair may direct proctors (or security personnel) to help maintain order in the meeting place.

If the meeting place is equipped with sound amplifying equipment, the chair may stop any shareholders from speaking unless they are using the equipment set up by the Company.

When a shareholder violates the rules of procedure, disobeys the chair's correction, or obstructs the proceedings and refuses to follow the call to stop, the chair may direct proctors or security personnel to escort the shareholder out the meeting.

Article 18: Matters not stipulated in the rules shall be handled in accordance with the Company Act, the Company's Article of Incorporation and other relevant laws and regulations. For other unaddressed matters, the chair shall be authorized to make decisions.

Article 19: The rules will be implemented after approved by a shareholder meeting, and the same applies to amendments.

The 1st amendment was made on May 25, 1997.

The 2nd amendment was made on March 24, 1998.

The 3rd amendment was made on June 20, 2002.

The 4th amendment was made on June 10, 2009.

The 5th amendment was made on June 20, 2013.

The 6th amendment was made on June 23, 2014.

The 7th amendment was made on June 22, 2015.

The 8th amendment was made on June 24, 2019.

The 9th amendment was made on June 29, 2020.

Appendix 4:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD Procedure for Election of Directors

Article 1: Unless otherwise required by laws and regulations or by the Company's Article of Incorporation, elections of directors shall be conducted in accordance with the procedure.

Article 2: The overall composition of the Board of Directors should 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 an appropriate policy on diversity shall be formulated based on the Company's own operations, business model, and development needs. The policy shall include but not is limited to the following two major standards:

- (1) Basic requirements and values: Gender, age, nationality, and culture, etc.
- (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

The members of the Board of Directors should generally have the necessary knowledge, skill, and experience to perform their duties; the board as a whole should have the following competencies:

- (1) The ability to make judgments about operations.
- (2) Accounting and financial analysis ability.
- (3) Business management ability.
- (4) Crisis management ability.
- (5) Industry Knowledge
- (6) An international market perspective.
- (7) Leadership ability.
- (8) Decision-making ability.

More than half of the directors should have neither a spouse nor relatives within the second degree of kinship in any other director.

The Company's Board of Directors should consider adjusting its composition based on the results of performance evaluation.

Article 3: The qualifications for the Company's independent directors should be in accordance with Articles 2, 3, and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"
The election of the Company's independent directors should be in accordance with Articles 5, 6, 7, 8, and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and should be conducted in accordance with Article 24 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".

Article 4: The Company should adopt the cumulative voting system for the election of directors. Each share should have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates, unless otherwise required by laws and regulations. The Board of Directors should prepare election ballots corresponding to the number of directors to be elected, specify the number of voting rights on the ballots and distribute the ballots to the shareholders attending the shareholder meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

The election of the Company's directors should be conducted in accordance with the procedures of the candidate nomination system set forth in Article 192-1 of the Company Act. The methods of acceptance of nomination and announcements shall be made in accordance with the Company Act, Securities and Exchange Act and other relevant laws and regulations.

If there are fewer than five directors due to dismissal of directors, the Company shall hold a by-election at the next shareholder meeting. However, if the vacancy of directors reaches one-third of the number of seats specified in the Article of Incorporation, the Company should hold a special shareholder meeting for a by-election within 60 days from the date of the occurrence of the event.

If the number of independent directors does not meet the proviso of Paragraph 1 of

Article 14-2, item 8 of the Securities and Exchange Act, the relevant provisions of the Taiwan Stock Exchange Corporation “Rules Governing Review of Securities Listings or the Standards for Determining Unsuitability for TPEX Listing under Article 10, Paragraph 1 of the Taipei Exchange “Rules Governing the Review of Securities for Trading on the TPEX”, a by-election should be held in the next shareholder meeting. When independent directors are dismissed, a special shareholder meeting should be held for a by-election within 60 days from the date of the occurrence of the event.

Article 5: The number of directors will be as specified in the Company's Article of incorporation, with voting rights separately calculated for independent and non-independent directors. Those receiving 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 directors, they shall draw lots to determine, with the chair drawing lots for those not in attendance.

Article 6: Before the election begins, the chair should appoint a number of persons with shareholder status as vote monitoring and counting personnel to perform the respective duties. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting beings.

Article 7: If a candidate is a shareholder, voters must indicate the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the candidate's name and identification number should be indicated.

However, when the candidate is a governmental or a juristic person, the name of the governmental or the juristic person should be indicated in the column for the candidate's account name on the ballot, or both the name of the government or the juristic person and the name of its representative can be indicated. When there are several representatives, the names of each representative should be indicated respectively.

Article 8: A ballot is invalid if any of the following is true:

- (1) Do not use ballots prepared by Board of Directors.
- (2) Put void ballots into the ballot box.
- (3) The handwriting is blurred and unrecognizable or has been altered.
- (4) If the person to be elected is a shareholder, his or her account name or shareholder account number does not match with the shareholder roster; if the person to be elected is not a shareholder, his or her name and identification number do not match after verification.
- (5) In addition to the account name (name) and shareholder account number (identification number) of the person to be elected and the number of voting rights allocated, other words are included.
- (6) The name of the person to be elected is the same as that of other shareholders without the shareholder's account number or identification number to discern them.

Article 9: After the voting is completed, the ballot box should be opened on the spot. The results of the voting shall be announced by the chair on the spot, including the list of directors elected and the number of their elected rights.

Article 10: Matters not addressed in the procedure shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 11: This procedure will be implemented after approved by a shareholder meeting, and the same applies to amendments.

The 1st amendment was made on May 25, 1997.

The 2nd amendment was made on March 24, 1998.

The 3rd amendment was made on June 20, 2002.

The 4th amendment was made on June 10, 2009.

The 5th amendment was made on June 22, 2011.

The 6th amendment was made on June 25, 2012.

The 7th amendment was made on June 22, 2015.

The 8th amendment was made on June 24, 2019.

The 9th amendment was made on June 29, 2020.

Appendix 5:

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Code of Ethical Conduct

i. Define purpose and basis

For compliance, this Code is defined to guide the directors of the board, supervisors, and managerial officers of the Company (including general managers and equivalent, deputy general managers and equivalent, directors and equivalent, financial department head, accounting department head, and other persons who manage affairs and have the rights to sign for the Company) and employees (staff) to comply with ethical standards, and to make the company's related parties more aware of the Company's ethical standards.

ii. Covered content

The Company considers its individual circumstances and needs to define the Code of Ethical Conduct, including the following eight items:

(i) Prevent conflict of interest:

A conflict of interest arises when personal interests intervene or may intervene with the overall interests of the company. For example, when the Company's directors, supervisors, managerial officers and employees are unable to handle their official duties in an objective and efficient manner, or when their positions in the Company result in improper benefits to themselves, their spouses, parents, children or their relatives within second degree of kinship, etc. The Company should pay special attention to the lending or guarantee of funds, material asset transactions, and purchases (sales) of goods with the affiliates to which the aforementioned persons belong. Company directors, supervisors, managerial officers and employees should take the initiative to state whether they have potential conflict of interest with the Company.

(ii) Avoid opportunities for personal gain:

The company should avoid the following matters for directors, supervisors, managerial officers and employees: (1) The opportunity for personal gain through the use of company property, information or the convenience of position; (2) The use of company property, information or the convenience of position to obtain personal gain; (3) Compete with the company. When there is an opportunity for the Company to make a profit, directors, supervisors, managerial officers and employees have the responsibility to increase the legitimate interests that the Company can obtain.

(iii) Confidentiality duty:

Directors, supervisors, managerial officers and employees should be under an obligation of confidentiality with respect to information about the Company itself or its suppliers and (sales) customers, unless authorized or required by law to be disclosed. The information that should be kept confidential includes all unpublished information that may be detrimental to the Company or its customers when used by competitors or after being leaked.

(iv) Fair trade:

Directors, supervisors, managerial officers and employees should treat the company's suppliers and (sales) customers, competitors and employees fairly, and must not obtain improper benefits through manipulation, concealment, abuse of information obtained in the course of their duties, misrepresentation of material matters or other unfair dealing.

(v). Protect and properly use the Company's assets:

Directors, supervisors, managerial officers and employees are responsible for protecting the Company's assets and ensuring that they are used effectively and legally for official purposes. Theft, negligence or waste will directly affect the Company's ability to make a profit.

(vi) Compliance with laws and regulations:

The Company should strengthen compliance with the Securities and Exchange Act and other laws and regulations.

(vii) Encourage the reporting of any conduct that is illegal or violates the Code of Ethical Conduct:

The Company should strengthen the promotion of ethical concepts, and encourage employees to report to supervisors, managerial officers, chief internal auditor or other appropriate personnel when they suspect or discover violations of laws, regulations, or the Code of Ethical Conduct. In order to encourage employees to report violations, the Company will do its best to protect the safety of the reporter from retaliation.

(viii) Punishment measures:

When directors, supervisors, managerial officers and employees violate the Code of Ethical Conduct and damage the Company's major rights and interests, the Company should take appropriate disciplinary actions and immediately disclose information on the Market Observation Post System regarding the date of violation, the cause of violation, the criteria of the violation and the circumstances of handling the violation.

iii. Procedure for exemption

The Company's Code of Ethical Conduct must require that exemptions from the Company's Code of Ethical Conduct for directors, supervisors, managerial officers and employees must be approved by a resolution of the Board of Directors and that information on the date of the Board of Directors' approval of the exemption, the period for which the exemption applies, the reasons for the exemption and the criteria for the exemption be disclosed immediately on the Market Observation Post System so that shareholders can evaluate the appropriateness of the Board of Directors' resolution to discourage arbitrary or questionable exemptions from the Code and to ensure that any exemptions from the Code are subject to appropriate control mechanisms to protect the Company.

iv. Method of disclosure

The Company should disclose its Code of Ethical Conduct in its annual report, prospectus and Market Observation Post System, and the same applies to amendments.

v. Implementation

The Company's Code of Ethical Conduct will be implemented after approved by the Board of Directors, and sent to the supervisors and submitted to the shareholder meeting, and the same applies to amendments.

This standard was established on December 29th, 2013.

The 1st amendment was made on March 30, 2015.