

Stock code : 2009



第一伸銅科技

First Copper Technology Co., Ltd.

2023 Annual General Meeting of Shareholders

Meeting Agenda

Convening method: In-person

Meeting Time: June 15, 2023

**Meeting Venue: No. 479, Yanhai 1st Road,
Xiaogang District, Kaohsiung City**

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First Copper Technology Co., Ltd.

2023 Annual General Shareholders' Meeting Agenda

Convening method: In-person

Time: June 15, 2023, 9:30 AM

Venue: No. 479, Yanhai 1st Road, Xiaogang District, Kaohsiung City

One. Call the Meeting to order

Two. Chairman's Remarks

Three. Status Reports

- (i) 2022 Business Report
- (ii) Audit Committee's review report for 2022 audited financial Statements
- (iii) Report on the distributable compensation for employees and directors in 2022.

Four. Approval Items

- (i) Recognition of the Company's 2022 business report and financial statements.
- (ii) Recognition of the statement for distribution of earnings for 2022.

Five. Extraordinary Motions

Six. Adjournment

Three. Status Reports

- I. 2022 Business Report (Please refer to Page 5)
- II. Audit committee's review report for 2022 audited financial Statements (Please refer to Page 6)
- III. Report on the distributable compensation for employees and directors in 2022.

The Company reported earnings before tax of NT\$180,737,027 for 2022 before the distribution of remunerations to employees and directors. Per decisions by Remuneration Committee and the Board of Directors and according to Article 39 of the Articles of Incorporation, NT\$5,422,111 (or 3% of earnings before tax) is allocated as remuneration to employees, NT\$903,685 (or 0.5%) as remuneration to directors. The distribution of remunerations is in cash and is handled by Chairman under full authorization.

Four. Approval Items

Proposal 1 Proposed by the Board of the Company
Subject: Please ratify the Company's 2022 Business Report and Financial Statements.

Explanation:

- (i) The Company's 2022 individual financial statements were audited by CPA Yung-Hsiang Chen and CPA Chen-Lung Hsu from KPMG Taiwan. The financial statements and Business Report were then submitted to the Audit Committee for review and a review report was issued accordingly.

- (ii) Please find the Company's 2022 Business Report (page 5), Audit Committee's Review Report (page 6), review report by CPAs and individual financial statements (Please refer to pages 7 to 13. The complete financial reports are available at the Market Observation Post System:

<http://mops.twse.com.tw/mops/web/index>).

- (iii) Submitted for acknowledgment.

Resolution:

Proposal 2 Proposed by the Board of the Company

Subject: Please ratify the Company's earnings distribution of 2022.

Explanation:

- (i) The Company's 2022 net income was NT\$196,940,232. After the addition of defined benefit plan remeasurement and the appropriation of legal reserves, earnings available for distribution was NT\$198,343,958. It is intended to distribute cash dividends to shareholders at NT\$0.4 per share, for a total of NT\$143,848,866. The earnings after the distribution is NT\$54,495,092.
- (ii) The Company's table of 2022 earnings distribution (page 14). After this earnings distribution proposal is submitted to the shareholders' meeting for approval, the Chairman of the Board of Directors shall be

authorized to determine relevant matters such as the base date and payment date of the cash dividends.

(iii) Submitted for acknowledgment.

Resolution:

Five. Extemporaneous Motions:

Six. Adjournment

First Copper Technology Co., Ltd.

2022 Business Report

I. 2022 Business Report

The Company's main business is the manufacture of a variety of alloy copper sheets for the domestic and overseas markets. The annual revenue in 2022 totaled NT\$2,895,412 thousand, operating costs NT\$2,943,882 thousand, operating expenses NT\$62,609 thousand, net operating losses was NT\$111,079 thousand, net non-operating income NT\$285,490 thousand, earnings before tax NT\$174,411 thousand, income tax benefits NT\$22,529 thousand, net income NT\$196,940 thousand, other comprehensive losses NT\$1,759,962 thousand, total comprehensive losses for the period was NT\$1,563,022 thousand.

II. 2023 Business Plan Summary

- (i) Semiconductor market: increase in the production of materials for etching and development of high-end customers and products in Taiwan
- (ii) The tin plating market can be segmented into automobile, electronics and power tools.
- (iii) Development of new specifications and new clients for punched copper sheets. Adjustment of revenue mix for high gross margin products.
- (iv) Focus on exports and prioritization of the Southeast Asian market.

Chairman:

Manager:

Accounting Supervisor:

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 Business Report, individual financial statements, and profit distribution proposal. The individual financial statements were audited by CPA Yung-Hsiang Chen and CPA Chen-Lung Hsu from KPMG Taiwan and the audit report was issued accordingly. The above-mentioned business report, individual financial statements and profit distribution proposal have been reviewed by the Audit Committee and found to have no inconsistencies. This report is to be submitted in accordance with the relevant provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely

2023 Shareholders' Meeting

First Copper Technology Co., Ltd.

Convener of Audit Committee: Hu Li-Jen

March 6, 2023

Independent Auditors' Report

To the Board of Directors FIRST COPPER TECHNOLOGY CO., LTD.

Opinion

We have audited the financial statements of FIRST COPPER TECHNOLOGY CO., LTD. (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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 and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

Valuation of inventory

Please refer to Note 4(g) for significant accounting policies on inventories and Note 5 for significant accounting assumptions and judgment, and major sources of estimation uncertainty. Information regarding the inventory is shown in Note 6(f) of the financial statements.

Description of key audit matter:

The Company's inventories are copper products which are measured at the lower of cost and net realizable value. Since the selling price is affected by copper price which fluctuates wildly, the valuation of inventory is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures include assessing the reasonableness of inventory valuation and obsolescence, and evaluating the assumptions made by the management; corroborating, on a sample basis, by testing the accuracy of inventory aging, examining their net realizable value to the recent sales records and making an analysis on the trend of international copper price fluctuations.

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 with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of 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 Standard on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yung Hsiang, Chen and Cheng Lung, Hsu.

KPMG

Taipei, Taiwan (Republic of China)
March 6, 2023

Notes to Readers

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

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

(English Translation of Financial Statements Originally Issued in Chinese)
FIRST COPPER TECHNOLOGY CO., LTD.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 86,585	1	153,821	2	2100	Short-term borrowings (note 6(l))	\$ 1,115,280	17	455,026	6
1110	Current financial assets at fair value through profit or loss (note 6(b))	40,770	1	83,067	1	2110	Short-term notes and bills payable (notes 6(l)(m))	499,386	8	799,888	10
1150	Notes receivable (note 6(d))	1,481	-	4,841	-	2150	Notes payable (note 6(p))	2,890	-	4,095	-
1172	Accounts receivable (note 6(d))	168,668	3	313,958	4	2170	Accounts payable	57,512	1	121,695	1
1180	Accounts receivable from related parties (notes 6(d) and 7)	713	-	-	-	2180	Accounts payable to related parties (note 7)	-	-	4,991	-
1200	Other receivables (notes 6(d)(e))	32,536	1	32,247	-	2200	Other payables (note 6(p))	61,887	1	93,366	1
130X	Inventories (note 6(f))	1,984,726	30	1,717,097	21	2230	Current tax liabilities	-	-	6,831	-
1470	Other current assets (note 6(k))	20,669	-	31,929	-	2300	Other current liabilities (note 6(n))	25,372	-	82,965	1
	Total current assets	<u>2,336,148</u>	<u>36</u>	<u>2,336,960</u>	<u>28</u>		Total current liabilities	<u>1,762,327</u>	<u>27</u>	<u>1,568,857</u>	<u>19</u>
Non-current assets:						Non-Current liabilities:					
1517	Non-current financial assets at fair value through other comprehensive income(note 6(c))	2,857,689	44	4,630,491	56	2570	Deferred tax liabilities (note 6(q))	268,423	4	264,866	3
1550	Investments accounted for using equity method (note 6(g))	168	-	142	-	2640	Net defined benefit liability, non-current (note 6(p))	-	-	10,092	-
1600	Property, plant and equipment (note 6(h))	1,070,805	16	1,067,173	13		Total non-current liabilities	<u>268,423</u>	<u>4</u>	<u>274,958</u>	<u>3</u>
1760	Investment property, net (notes 6(i)(o))	222,411	3	225,612	3		Total liabilities	<u>2,030,750</u>	<u>31</u>	<u>1,843,815</u>	<u>22</u>
1780	Intangible assets (note 6(j))	132	-	-	-		Equity (note 6(r)):				
1840	Deferred tax assets (note 6(q))	39,995	1	17,118	-	3110	Ordinary share	3,596,222	55	3,596,222	44
1915	Prepayments for equipment	10,467	-	10,356	-		Retained earnings:				
1920	Refundable deposits (note 6(e))	7	-	7	-		Legal reserve	41,018	1	-	-
1975	Net defined benefit asset, non-current (note 6(p))	14,327	-	-	-		Special reserve	262,845	4	262,845	3
	Total non-current assets	<u>4,216,001</u>	<u>64</u>	<u>5,950,899</u>	<u>72</u>		Unappropriated retained earnings	219,322	3	410,183	5
								<u>523,185</u>	<u>8</u>	<u>673,028</u>	<u>8</u>
						3400	Other equity interest	401,992	6	2,174,794	26
							Total equity	<u>4,521,399</u>	<u>69</u>	<u>6,444,044</u>	<u>78</u>
							Total liabilities and equity	<u>\$ 6,552,149</u>	<u>100</u>	<u>8,287,859</u>	<u>100</u>
	Total assets	<u>\$ 6,552,149</u>	<u>100</u>	<u>8,287,859</u>	<u>100</u>						

(English Translation of Financial Statements Originally Issued in Chinese)
FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings per share)

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4100	Operating revenues (notes 6(t) and 7)	\$ 2,895,412	100	3,218,804	100
5000	Operating costs (notes 6(f)(p)(u), 7 and 12)	<u>2,943,882</u>	<u>101</u>	<u>2,896,491</u>	<u>90</u>
5900	Gross profit (loss)	(48,470)	(1)	322,313	10
6000	Operating expenses (notes 6(p)(u), 7 and 12)	<u>62,609</u>	<u>2</u>	<u>65,900</u>	<u>2</u>
6900	Operating profit (loss)	<u>(111,079)</u>	<u>(3)</u>	<u>256,413</u>	<u>8</u>
7000	Non-operating income and expenses (notes 6(g)(o)(v)):				
7100	Interest income	182	-	18	-
7010	Other income	329,548	11	165,083	5
7020	Other gains and losses, net	(27,983)	(1)	51,552	2
7050	Finance costs	(16,297)	(1)	(6,616)	-
7060	Share of profit (loss) of associates accounted for using equity method, net	<u>40</u>	<u>-</u>	<u>46</u>	<u>-</u>
		<u>285,490</u>	<u>9</u>	<u>210,083</u>	<u>7</u>
7900	Profit before income tax	174,411	6	466,496	15
7950	Less: Income tax expenses (benefit) (note 6(q))	<u>(22,529)</u>	<u>(1)</u>	<u>43,821</u>	<u>1</u>
8200	Profit	<u>196,940</u>	<u>7</u>	<u>422,675</u>	<u>14</u>
8300	Other comprehensive income (loss):				
8310	Item that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	16,048	1	(15,612)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(r))	(1,772,802)	(61)	1,772,840	55
8320	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (note 6(g))	1	-	(2)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(q))	<u>3,209</u>	<u>-</u>	<u>(3,122)</u>	<u>-</u>
		<u>(1,759,962)</u>	<u>(60)</u>	<u>1,760,348</u>	<u>55</u>
8300	Other comprehensive income (after tax)	<u>(1,759,962)</u>	<u>(60)</u>	<u>1,760,348</u>	<u>55</u>
8500	Comprehensive income	<u>\$ (1,563,022)</u>	<u>(53)</u>	<u>2,183,023</u>	<u>69</u>
	Earnings per share (note 6(s)):				
9750	Basic earnings per share (in New Taiwan Dollars)	<u>\$ 0.55</u>		<u>1.18</u>	
9850	Diluted earnings per share (in New Taiwan Dollars)	<u>\$ 0.55</u>		<u>1.17</u>	

(English Translation of Financial Statements Originally Issued in Chinese)
FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings			Unappropriated retained earnings (Deficit yet to be compensated)	Other equity	Total equity
	Ordinary shares	Legal reserve	Special reserve		Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
Balance at January 1, 2021	\$ 3,596,222	-	652,495	(101,952)	401,954	4,548,719
Profit for the year ended December 31,2021	-	-	-	422,675	-	422,675
Other comprehensive income for the year ended December 31,2021	-	-	-	(12,492)	1,772,840	1,760,348
Total comprehensive income for the year ended December 31,2021	-	-	-	410,183	1,772,840	2,183,023
Appropriation and distribution of retained earnings:						
Reversal of special reserve	-	-	(389,650)	389,650	-	-
Cash dividends of ordinary share	-	-	-	(287,698)	-	(287,698)
Balance at December 31, 2021	<u>3,596,222</u>	<u>-</u>	<u>262,845</u>	<u>410,183</u>	<u>2,174,794</u>	<u>6,444,044</u>
Profit for the year ended December 31,2022	-	-	-	196,940	-	196,940
Other comprehensive income for the year ended December 31,2022	-	-	-	12,840	(1,772,802)	(1,759,962)
Total comprehensive income for the year ended December 31, 2022	-	-	-	209,780	(1,772,802)	(1,563,022)
Appropriation and distribution of retained earnings:						
Legal reserve	-	41,018	-	(41,018)	-	-
Cash dividends of ordinary share	-	-	-	(359,623)	-	(359,623)
Balance at December 31, 2022	<u>\$ 3,596,222</u>	<u>41,018</u>	<u>262,845</u>	<u>219,322</u>	<u>401,992</u>	<u>4,521,399</u>

(English Translation of Financial Statements Originally Issued in Chinese)
FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 174,411	466,496
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	80,190	69,950
Amortization expense	12	-
Net (gain) loss on financial assets at fair value through profit or loss	22,237	(57,385)
Interest expense	16,297	6,616
Interest income	(182)	(18)
Dividend income	(313,439)	(145,995)
Share of profit of associates accounted for using equity method	(40)	(46)
Gain on disposal of property, plant and equipment	(870)	(1,762)
Loss on disposal of investments	231	668
Provision (reversal) for liabilities	(321)	938
Total adjustments to reconcile loss	(195,885)	(127,034)
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease (increase) in notes receivable	3,360	(2,595)
Decrease (increase) in accounts receivable	145,290	(139,458)
Decrease (increase) in accounts receivable from related parties	(713)	471
Increase in other receivables	(58)	(24,222)
Increase in inventories	(267,629)	(418,105)
Decrease in other current assets	11,260	40,480
Net changes in operating assets	(108,490)	(543,429)
Net changes in operating liabilities:		
Increase (decrease) in notes payable	(1,205)	1,317
Increase (decrease) in accounts payable	(64,183)	26,092
Decrease in accounts payable to related parties	(4,991)	(5,930)
Increase (decrease) in other payable	(37,820)	39,495
Increase (decrease) in other current liabilities	(57,272)	58,446
Decrease in net defined benefit liability	(8,371)	(1,049)
Net changes in operating liabilities	(173,842)	118,371
Net changes in operating assets and liabilities	(282,332)	(425,058)
Total adjustments	(478,217)	(552,092)
Cash outflow generated from operations	(303,806)	(85,596)
Interest received	182	18
Dividends received	313,223	145,995
Interest paid	(9,715)	(2,665)
Income taxes paid	(6,831)	-
Income taxes refund	-	4
Net cash flows from (used in) operating activities	(6,947)	57,756
Cash flows from (used in) investing activities:		
Proceeds from liquidation in equity investment	-	620
Acquisition of financial assets at fair value through profit or loss	(47,457)	-
Proceeds from disposal of financial assets at fair value through profit or loss	67,286	194,594
Acquisition of property, plant and equipment	(78,839)	(104,322)
Proceeds from disposal of property, plant and equipment	944	1,829
Acquisition of intangible assets	(144)	-
Increase in prepayments for equipment	(111)	-
Net cash flows from (used in) investing activities	(58,321)	92,721
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	660,254	316,284
Decrease in short-term notes and bills payable	(306,137)	(103,685)
Increase in guarantee deposits received	196	-
Cash dividends paid	(356,281)	(286,444)
Net cash flows used in financing activities	(1,968)	(73,845)
Net increase (decrease) in cash and cash equivalents	(67,236)	76,632
Cash and cash equivalents at beginning of period	153,821	77,189
Cash and cash equivalents at end of period	\$ 86,585	153,821

See accompanying notes to financial statements.

First Copper Technology Co., Ltd.

Earnings Distribution Table

2022

	Unit: NTD
Undistributed profit at the beginning of the period	9,541,846
Add (Less):	
Changes in the current period to re-measurement of defined benefit plan	12,839,893
2022 after-tax net income	196,940,232
Appropriation of 10% legal reserves (209,780,125 x 10%)	(20,978,013)
Distributable surplus earnings	198,343,958
Less:	
Distribution item:	
Shareholder cash dividends (359,622,165 Shares x 0.4)	(143,848,866)
Undistributed surplus earnings, end of period	<u>54,495,092</u>

Note: Rounding off to the unit of NT dollars for cash dividends to individual shareholders. The resulting difference up to the unit NT\$ dollar is allocated in accordance with the account numbers of shareholders in sequence until the amount is consistent with the total shown in the table of earnings distribution.

Chairman:

Manager:

Accounting Supervisor:

First Copper Technology Co., Ltd. Articles of Incorporation

Chapter I General Provisions

Article 1: Organized in accordance with the provisions of the Company Act, the Company is named First Copper Technology Co., Ltd.

Article 2: The Company's main businesses are as follows:

- I. Metal Industry Manufacturing Department:
 1. Manufacturing, processing, trade, and export of various types of copper product including copper bullion, copper alloy plates, copper foil, copper pipe, copper cable, electrolytic copper, and copper wire.
 2. Manufacturing, trade, and export of machinery in relation to the preceding paragraph.
 3. The dismantling of various scrapped vessels and the trading of scrap copper and iron.
- II. Electronics Industry Manufacturing Department:
 1. Manufacturing, trade, and export of copper foil for printed circuit boards, integrated circuits, and lead frames for various types of circuits.
 2. Manufacturing, trade, and export of copper-based electronic materials and raw materials.
- III. Steel Industry Manufacturing Department:
 1. Manufacturing, processing, trade, and export of various types of stainless steel plate, stainless steel pipes, and other stainless steel products.
 2. Manufacturing, trade, and export of various types of steel plate and other steel products.
- IV. Construction Department:
 1. Commission construction companies to build residential and commercial buildings for sale and lease.
 2. Furniture manufacturing and trade.
 3. House rental and sale introduction.
 4. Sale of food, tobacco, and alcohol.
 5. Acceptance of rezoning commissions. (with the exception of architectural commissions)
 6. Operation of parking lots and supermarkets.
 7. Design and construction of landscapes and gardens. (with the exceptions of construction and of architectural commissions)
 8. Manufacture and sale of ready-mixed concrete.
 9. Manufacture and sale of cement products.
- V. Trading and agency business for related imports and exports.
- VI. Pre-agent import and export trade of various products.
- VII. H703010 Factory Building Rental and Leasing.
- VIII. H703020 Warehouse Rental and Leasing.

IX. H703030 Office Building Rental and Leasing.

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

Article 2-1: The Company does not endorse guarantees and does not lend funds to others.

Article 2-2: In coordination with its diversified operations, the Company makes reinvestments in various businesses. The total investment amount shall not exceed the total paid-in capital of the Company.

Article 3: The Company is established in Kaohsiung City. Depending on the needs of the business, branch offices may set up domestically and overseas following resolution of the Board of Directors.

Article 4: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 5: The total capital of the Company is set as NTD 3,596,221,650 divided into 359,622,165 shares at NTD 10 per share, issued in full.

Article 6: The stock of the Company shall be divided into shares with amounts of 1 million shares, 100,000 shares, 10,000 shares, 1,000 shares, and a variable amount of shares, with each share having the same par value.

Article 7: The Company's stocks are all registered, signed or stamped at least three directors, and issued according to law after being stamped with the Company's official registration number.

The company's shares may be exempt from being in the form of printed stocks, but the centralized securities custodial institution must be contacted for registration.

Article 8: Shareholders should send their seal patterns to the company for recording so that they can be checked when receiving dividends, distributing dividends, and exercising shareholder rights.

Article 9: Unless otherwise provided by laws and regulations, shareholders of the Company shall handle transfers of shares and other stock affairs, and it is understood that they shall do so in accordance with the Regulations Governing the Administration of Stock Affairs of Public Companies announced by the competent authority.

Article 10: The loss or destruction of stocks held by shareholders shall be handled in accordance with the Regulations Governing the Administration of Stock Affairs of Public Companies announced by the competent authority.

Article 11: Cases of shareholders who change their seals for any reason shall be handled in accordance with the Regulations Governing the Administration of Stock Affairs of Public Companies announced by the competent authority.

Article 12: Shares cannot be transferred within 60 days before the regular shareholders meeting, 30 days before the extraordinary shareholders meeting, or within 5 days before the base date of the company's decision to distribute dividends and bonuses or other benefits.

Chapter III Shareholders' Meeting

Article 13: Shareholders' meetings of the Company are divided into the following two types:

- I. A general meeting that is to be convened by the Board of Directors within six months after the end of each fiscal year.
- II. Interim shareholders' meetings that shall be convened when necessary in accordance with the provisions of the Company Act.

Article 14: When convening a General Meeting of Shareholders, all shareholders shall be notified 30 days in advance. When convening an interim shareholders' meeting, all shareholders shall be notified 15 days in advance. For shareholders who hold fewer than one thousand shares, the notice of the meeting shall be made via an announcement.

Article 15: If a shareholder cannot attend a shareholders' meeting for some reason, then, in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies announced by the competent authority, the shareholder may obtain a proxy issued by the Company that is signed or sealed with authorized scope and entrust an agent to attend.

Article 16: Unless otherwise stipulated by the Company Act, a shareholders' meeting must be held with shareholders representing more than half of the total number of shares attending and with the approval of more than half of the voting rights of the shareholders present. When the number of shareholders present is fewer than number required in the preceding paragraph, it is understood that the relevant provisions of the Company Act shall be followed.

Article 17: Shareholders of the Company have one vote per share; however, for those who are restricted or those without voting rights under Article 179 of the Company Act, this limitation shall not apply.

Article 18: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

Dissemination of the meeting minutes as mentioned in the preceding paragraph may be done via public announcement.

The meeting minutes shall record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results. The meeting minutes shall be retained forever during the existence of the Company.

The registration book of attending shareholders and proxy attendance forms shall be kept for at least one year.

Article 19: The shareholders' meeting may review the forms and Audit Committee reports submitted by the Board of Directors and decide upon the distributions of profits and dividends.

Article 20: The Company shall have between 7 and 11 directors, whose election shall adopt a candidate nomination system. They shall be elected by shareholders from the list of director candidates for a term of three years and may be re-elected.

Among the directors of the Company, the number of independent directors shall not be less than three and shall not be less than one-fifth of the number of directors. Regarding independent directors' professional qualifications, shareholdings, restrictions on concurrent positions, determination of independence, method of nomination, and other matters to be complied with, they shall be handled in accordance with relevant regulations of the securities authority.

For directors' travel expenses and remuneration of the Chairman, their authorization is determined by the Board of Directors with reference to the standards of relevant peers and listed companies. Regardless of the profit and loss status of the Company, they shall be issued in accordance with general regulations.

The Company may purchase liability insurance for directors' legal liability for the scope of their business execution during their tenures.

The total number of registered shares held by all directors shall not be less than the number required by the securities authority.

Article 21: When organizing the Board of Directors, the Chairman of the Board shall be selected by a majority vote at a meeting attended by over two-thirds of the directors and approved by more than half of the directors present. The Chairman shall be elected to carry out all Company matters in accordance with the law, regulations, resolutions of shareholders' meeting, and resolutions of the Board of Directors.

Article 22: When vacancies among directors reaches one-third, the Board of Directors shall convene a by-election at a shareholders' meeting within 60 days.

Article 23: The Chairman of the Board shall be the presiding chair of the shareholders' meeting and of the Board of Directors, and shall represent the Company externally. If the Chairman asks to take leave or is unable to execute his authority for some reason, he or she may be represented by a director who is designated by the Chairman. If the Chairman does not designate such a representative, the directors will choose a representative from among themselves.

Article 24: When necessary, the Board of Directors may be convened by the Chairman or his or her representative in accordance with the law. The notice of convening can be done by written notification, e-mail, or fax.

Article 25: When the Board of Directors meets, the directors shall attend in person. However, they may be represented by other directors. Those who participate in the meeting by videoconference shall be regarded as attending in person. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

Article 26: Except where otherwise provided by the Company Act, the passage of a proposal at a Board of Directors meeting shall require the approval of a majority of the directors in

attendance at a Board of Directors meeting that is attended by a majority of all directors.

Article 27: The following matters of the Company are subject to the approval or verification of the Board of Directors:

- I. Approval of each item of regulation.
- II. Preparation of the budget and final accounts.
- III. Profit distribution proposals.
- IV. Capital increase or decrease proposals.
- V. Appointment or dismissal of managers and consultants.
- VI. Buying and selling stocks of listed companies or reinvestment in stocks of unlisted companies.
- VII. Purchases equipment or disposal of assets in amounts of NTD 2 million or more.
- VIII. Purchases or transfers of know-how and patent rights or of technical cooperation contracts.
- IX. Appointment, dismissal, and remuneration of accountants.
- X. External borrowing.
- XI. Collateralization of Company property.
- XII. Engaging in derivative transactions.
- XIII. Annual audit planning.
- XIV. Dealer or agent business.
- XV. Sales to manufacturers on credit in amounts exceeding NTD 2 million.
- XVI. Operational planning for the Company.
- XVII. Annual financial reports and semi-annual financial reports. With the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
- XVIII. Establishing or amending the internal control system.
- XIX. Formulating or amending procedures for the acquisition or disposal of assets and the processing of major financial business activities involving derivative transactions.
- XX. Raising, issuing or private placement of equity securities.
- XXI. Appointment and removal of financial, accounting or internal audit supervisors.
- XXII. Branch establishment or closure.
- XXIII. Implementation of resolutions of the shareholders' meeting and of the conferring of powers from the shareholders' meeting.
- XXIV. Other powers stipulated by laws and regulations and by the competent authority.

Article 28: The Company has established an Audit Committee in accordance with the provisions of the Securities and Exchange Act. The provisions of the Company Act, Securities and Exchange Act, and other laws governing supervisors shall be applied mutatis mutandis to the Audit Committee.

The Audit Committee shall be composed entirely of independent directors, and its

exercise of powers and related matters shall be handled in accordance with relevant laws and regulations of the securities authority.

Article 29: Deleted.

Article 30: Deleted.

Article 31: Deleted.

Article 32: Deleted.

Article 33: The Company may set up various committees according to business needs. In selecting committee members, they shall be appointed by the Chairman after their submission to the Board of Directors for approval.

Article 33-1: If a director engages in business competition with the company, this shall be explained to the shareholders' meeting and its permission obtained in accordance with Article 209, Paragraph 1 of the Company Act.

Chapter V Staff

Article 34: The Company shall have a General Manager who upholds the resolutions of the Board of Directors and comprehensively manages all of the Company's business. He or she shall be assisted by a number of deputy general managers, while a number of managers will also be set up in charge of each business within the Company; and their appointment and dismissal shall be carried out in accordance with the Company Act. In response to its business needs, the Company may hire a number of individuals in technical, legal, accounting, and other consulting areas.

Article 35: The appointment, dismissal, and remuneration of supervisors of the Company at the managerial level and above is subject to the approval of the Board of Directors. The above-mentioned managers shall not concurrently serve as managers of other profit-making businesses, or operate similar businesses for themselves or for others, except for those approved by the Board of Directors in accordance with the law.

Article 36: The staffing of the Company is determined separately by the Board of Directors.

Article 37: The working rules of the Company shall be separately formulated by the Board of Directors.

Chapter VI: Accounting

Article 38: The Company uses December 31 of each year as its final settlement date. After final accounts are drawn for each period, the Board of Directors shall prepare the following list and submit it to the General Meeting of Shareholders for acknowledgment in accordance with the law.

- I. Business Report.
- II. Financial Statements.
- III. Proposals concerning profit distributions or covering of losses.

Article 39: If the Company makes a profit during the year, it shall allocate no less than 3% for employee remuneration and no more than 2% for director remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be

retained in advance.

Article 40: If there is a profit in the Company's annual final accounts, it shall first pay taxes to make up for the accumulated losses. A 10% withdrawal is the legal reserve, but this is not the limit when the legal reserve has reached the Company's paid-in capital. In addition, a special reserve may be allocated or transferred depending on the Company's operating needs and legal requirements. If there is a profit as well as undistributed surplus earnings at the beginning of the same period, the Board of Directors shall draft a profit distribution proposal and submit it to the shareholders' meeting for resolution.

Amid a still-growing business environment, the Company shall master the economic environment to seek sustainable operations and long-term development. Dividend policy will focus on the principle of stability. When the Board of Directors submits a profit distribution proposal, it shall consider future profitability and plans for working capital and may reserve a portion of profits at its discretion. Profit distributions shall account for 50% or more of distributable earnings; out of this, cash dividends shall not be less than 10% of the total dividend distribution for a given year.

Article 41: The distribution of company dividends and bonuses is to be based on the proportion of shares held by each shareholder.

Chapter VII: Supplementary Provisions

Article 42: Deleted.

Article 43: Matters not covered in these Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 44: This charter was established on July 8, 1969. The first amendment was on January 31, 1971. The second amendment was on July 15, 1972. The third amendment was on October 11, 1975. The fourth amendment was on April 20, 1978. The fifth amendment was on September 21, 1981. The sixth amendment was on April 20, 1982. The seventh amendment was on September 1, 1982. The eighth amendment was on October 12, 1982. The ninth amendment was on June 10, 1984. The tenth amendment was on September 12, 1984. The eleventh amendment was on November 15, 1984. The twelfth amendment was on April 20, 1986. The thirteenth amendment was on September 21, 1986. The fourteenth amendment was on April 13, 1987. The fifteenth amendment was on August 26, 1988. The sixteenth amendment was on February 20, 1989. The seventeenth amendment was on September 4, 1989. The eighteenth amendment was on May 21, 1990. The nineteenth amendment was on June 17, 1991. The twentieth amendment was on May 26, 1992. The twenty-first amendment was on May 25, 1993. The twenty-second amendment was on May 24, 1994. The twenty-third amendment was on June 20, 1995. The twenty-fourth amendment was on June 26, 1996. The twenty-fifth amendment was on June 19, 1997. The twenty-sixth amendment was on May 27, 1998. The twenty-seventh amendment was on June 15, 1999. The twenty-eighth amendment was on June 20, 2000. The twenty-ninth amendment was on June 27, 2001. The thirtieth amendment was on June 26, 2002. The thirty-first amendment was on June 23, 2003. The thirty-second amendment was on June 21, 2007. The thirty-third amendment was on June 13, 2008. The thirty-fourth amendment was on June 14, 2010. The thirty-fifth amendment was on June 12, 2012. The thirty-sixth amendment was on June 19, 2014. The thirty-seventh amendment was on June 23, 2016. The thirty-eighth amendment was on June 29, 2017. The thirty-ninth amendment was on June 28, 2018. The fortieth amendment was on June 11, 2020.

First Copper Technology Co., Ltd.

Rules of Procedure for Shareholders Meetings

Adopted at the interim meeting of shareholders held on August 26, 1988
Amended at the shareholders' meeting held on June 15, 1999
Amended at the shareholders' meeting held on June 26, 2002
Amended at the shareholders' meeting on June 23, 2016

- I. Shareholders' meetings of the Company shall comply with these Rules of Procedure.
- II. In these Rules of Procedure, "shareholders" refer to the shareholders themselves, representatives of institutional shareholders, and proxies entrusted by shareholders to attend in accordance with the law. "Shareholders' meeting" refers to the General Meeting of Shareholders as well as interim meetings of shareholders.
- III. Attending shareholders shall be requested to hand in their sign-in cards when signing in to attend the shareholders' meeting. The number of attending shares is calculated based on the handed in sign-in cards plus the number of shares exercised in writing or electronically. However, those who exercise voting rights electronically and attend the shareholders' meeting in person shall not be double counted in calculating the number of shares present. Attendance and voting at a shareholders meeting shall be calculated based on the number of shares.
- IV. Shareholders or authorized proxies are to attend the shareholders' meeting. When the Company deems it necessary, it may check supporting documents sufficient to prove the identity of an attendee.
- V. When a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the presiding chair, the Chairman shall appoint one of the directors to act as presiding chair. Where the Chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as presiding chair.

When the shareholders' meeting is convened by a convening party other than the Board of Directors, the convener shall be the presiding chair. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- VI. The Company may appoint the designated counsel, CPAs, or other related persons to attend the meeting.

Staff handling the administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
- VII. The Company shall record or videotape the entire proceedings of the shareholders' meeting and keep it for at least one year.
- VIII. When the meeting time has arrived, the presiding chair shall immediately announce the meeting. However, shareholders are not present representing more than half of the total

issued shares, the presiding chair may announce a postponement of the meeting. The number of postponements is limited to two, and the total postponement time shall not exceed one hour. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act.

By the end of such meeting, if number of shares represented by the attending shareholders has already constituted more than one half of the outstanding shares, the presiding chair may put the tentative resolution to the vote at the general meeting again in accordance with Article 174 of Taiwan's Company Act.

- IX. When the shareholders' meeting is convened by the Board of Directors, its agenda shall be set by the Board of Directors. The meeting shall be conducted according to the scheduled agenda, and shall not be changed without the resolution of the shareholders' meeting.

When the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.

The agenda set out in the previous two items shall not be declared adjourned by the presiding chair without a resolution before the proceedings are over (including provisional motions). However, if the presiding chair announces the adjournment of the meeting in violation of the rules of procedure, then with the approval of more than half of the voting rights of shareholders present, one person may be elected as presiding chair to continue the meeting.

- X. Before speaking, an attending shareholder must specify on a speaker's slip his/her shareholder account number, name, and main points of the intended speech. The order in which shareholders speak will be set by the presiding chair.

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

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

- XI. Unless otherwise permitted by the chairman, each shareholder shall not speak more than twice concerning the same item, and each speech shall not last more than 5 minutes.

- XII. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

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

- XIII. After an attending shareholder has spoken, the presiding chair may respond in person or

direct relevant personnel to make response.

- XIV. When the presiding chair is of the opinion that a proposal has been discussed sufficiently for voting to proceed, the presiding chair may announce the closure of the discussion and call for a vote.
- XV. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting, if the presiding chair undertakes a consultation and there is no objection, then the measure shall be deemed as passed and its effect shall be the same as that of voting.
- XVI. When a proposal is voted on by ballot, the examiners and counting staff of votes on motions shall be appointed by the presiding chair, but the examiners should have shareholder status. Voting results shall be made known on-site immediately and recorded in writing.
- XVII. During the meeting, the presiding chair may declare a break at his or her discretion.
- XVIII. When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- XIX. The presiding chair may direct proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel are present to assist in maintaining order, they shall bear an identification card or armband showing the word "Proctor."

If a shareholder violates the Rules of Procedure and does not obey the presiding chair's instructions to correct his or her behavior, hindering the progress of the meeting and failing to comply, the presiding chair may direct the proctors or security personnel to ask him or her to leave the meeting place.
- XX. Matters not specified in these Rules of Procedure shall be handled in accordance with the Company Act, the Company's Articles of Incorporation, and other relevant laws and regulations.
- XXI. These Rules of Procedure shall be implemented after being approved by the shareholders meeting. The same shall hold true of amendments.

First Copper Technology Co., Ltd.

The number of shares held by directors individually and collectively as recorded in the shareholder register as of the closing date of the shareholders' meeting:

Title	Name	Appointment date	Term of office	April 17, 2023	
				Number of shares	Percentage of shareholding
Chairman	Hua Eng Wire and Cable Co., Ltd. Representative: Wang Hong-Ren	2021.08.27	Three years	141,831,792	39.44%
Director	Hua Eng Wire and Cable Co., Ltd. Representative: Liu Chung-Jen	"	"		
"	Hua Eng Wire and Cable Co., Ltd. Representative: Wang Feng-Chuan	"	"		
"	Hua Eng Wire and Cable Co., Ltd. Representative: Wang Ming-Jen	"	"		
Independent Director	Hu Li-Jen	"	"	0	0%
"	Cheng Diao-Hsiang	"	"	0	0%
"	Huang Chen-Tsung	"	"	0	0%
Total number of shares held by all directors				141,831,792	39.44%

Explanation:

1. The Company's paid-in capital is NTD 3,596,221,650 (359,622,165 shares).
2. In accordance with Article 26 of the Securities and Exchange Act and with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the legal minimum number of shares that all directors should hold is 14,384,886 shares.
3. The Company has set up an Audit Committee, so there is no applicability regarding number of shares that should be held by supervisors.