

May 22, 2019

Yuanta FHC announces Yuanta Life's disposal of The First Issue of 2017 for Perpetual Cumulative Subordinated Corporate Bonds of Cathay Life Insurance Co., Ltd.

- 1.Name and nature of the subject matter (if preferred shares, the terms and conditions of issuance shall also be indicated, e.g.dividend yield): The First Issue of 2017 for Perpetual Cumulative Subordinated Corporate Bonds of Cathay Life Insurance Co., Ltd.
- 2.Date of occurrence of the event:2019/05/21~2019/05/22
- 3.Volume, unit price, and total monetary amount of the transaction:
Volume: N/A
Unit price: NTD 100.75
Total monetary amount: Cumulative NTD 2,015,000,000
- 4.Counterparty to the trade and its relationship to the Company (if the trading counterpart is a natural person and furthermore is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed):
Counterparty: CAPITALSECURITIESCORP.
Relationship: N/A
- 5.Where the counterpart to the trade is an actual related party, a public announcement shall also be made of the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer, and date of acquisition:N/A
- 6.Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times:N/A
- 7.Matters related to the creditor's rights currently being disposed of (including types of collateral of the disposed creditor's rights; if the creditor's rights are creditor's rights toward a related person, the name of the related person and the book amount of the creditor's rights toward such related person currently being disposed of must also be announced):
Related Person:Cathay Life Insurance Co., Ltd.
Amount: NTD 2,000,000,000

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8. Anticipated profit or loss from the disposal (not applicable in cases of acquisition of securities) (where originally deferred, the status or recognition shall be stated and explained):
Anticipated profit from the disposal: NTD 15,000,000
9. Terms of delivery or payment (including payment period and monetary amount), restrictive covenants in the contract, and other important stipulations:
Terms of delivery or payment: Sale of NTD 2,000,000,000 par value was completed on 5/22
Restrictive covenants and other important stipulations: The bond is redeemable after ten years of issuance. The coupon will step up 1% if not called.
10. The manner in which the current transaction was decided, the reference basis for the decision on price, and the decision-making department:
The manner and the reference basis: According to market conditions
The decision-making department: The decision is made by the authorization procedure of company
11. Net worth per share of the underlying securities acquired or disposed of: N/A
12. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges):
Cumulative volume: N/A
Cumulative amount: NTD 0
Percentage: N/A
13. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operating capital as shown in the most recent financial statement:
Ratio to the total assets: 87.85%
Ratio to shareholder's equity: 102.06%
Operating capital: N/A
Status of any restriction of rights: N/A
14. Broker and broker's fee: N/A
15. Concrete purpose or use of the acquisition or disposal: Legal use of the insurance funds
16. Do the directors have any objection to the present transaction?: No
17. Is it a related party transaction?: Yes

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- 18.Date of the board of directors' resolution:N/A
- 19.Date of the recognition of the supervisors or the board of independent directors' resolution:N/A
- 20.Has the CPA issued an opinion on the unreasonableness of the price of the current transaction?:N/A
- 21.Name of the CPA firm:N/A
- 22.Name of the certifying CPA:N/A
- 23.The practice certificate number of the CPA:N/A
- 24.Any other matters that need to be specified:N/A