

December 11, 2018

Yuanta FHC announces Yuanta Life's acquisition of 2nd preferred shares of Taiwan Cement Corp.

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):

Name: 2nd preferred shares of Taiwan Cement Corp.

Terms and conditions: The dividend rate is 3.5% per annum, equal to the sum of 5-year IRS + 2.5625% which resets every 5 years. The issuer has sole discretion on the distribution of dividends. Unpaid dividends are not cumulative. 2nd preferred shares are perpetual, may be redeemed no earlier than the day following the fifth anniversary of the issuance date.

2. Date of occurrence of the event: 2018/12/11

3. Volume, unit price, and total monetary amount of the transaction:

Volume: 10,000,000 shares

Unit price: NTD 50

Total monetary amount: NTD 500,000,000

4. Counterpart 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):

Counterpart: Taiwan Cement Corp.

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): N/A

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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): N/A
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: Lump-sum payment; cash settlement
Restrictive covenants and other important stipulations: 2nd preferred shares may be redeemed at the option of the issuer no earlier than the day following the fifth anniversary of the issuance date.
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: Cash capital increase
The reference basis: decided by the issuing company
The decision-making department: The decision is made following the authorization procedure of company.
11. 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: 10,000,000 shares
Cumulative amount: NTD 500,000,000
Shareholding percentage: 5%
Status of any restriction of rights: None
12. 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: 84.40%
Ratio to the shareholder's equity: 97.93%
Operating capital: N/A
13. Broker and broker's fee: N/A
14. Concrete purpose or use of the acquisition or disposal: Legal use of the insurance funds under Insurance Law
15. Net worth per share of the underlying securities acquired or disposed of: N/A
16. Do the directors have any objection to the present transaction?: N/A
17. Has the CPA issued an opinion on the unreasonableness of the price of the current transaction?: N/A

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18.Any other matters that need to be specified: N/A