Taiwan Fertilizer Co., Ltd.
2019 Annual General Shareholders' Meeting Minutes

Date	June 20, 2019 at 09:00 a.m.
Venue	Armed Forces Officer's Club (No.142, Yanping S. Rd., Taipei City)
Attendance	589,603,185 out of a total of 980,000,000 shares outstanding (Shares present in person and in proxy), which represents 60.16% of shares outstanding (including 278,666,993 for those who have exercised their voting power by way of electronic transmission)
Others present	Chiang Ta-Chung, Attorney at law of Lee and Li Attorneys and Law Tseng Kuo-Yang, CPA of KPMG Director Chen Junne-Jih Director Liu Tsaih-Sing Independent Director Lin Horng-Chang Independent Director Lee Ming-Shiuan Independent Director Hsiao Chao-Chin
Chairman：	Kang Hsin-Hong Meeting Secretary : Liu Chi-Ching

Commencement: Report on Number of Shares Present or Represented

1. **Chairman's Address** : (Omitted)
2. **Matters to Report** :
   1) 2018 Business Report
   2) Review Report of 2018 Final Accounts of Taiwan Fertilizer by Audit Committee
   3) Report on the Remuneration for Directors, Supervisors, and Employees for 2018

3. Matters to Acceptance

No. 1

Proposed by the Board of Directors

Proposal : Adoption of the Business Report and the Financial Results for 2018

Description:

1. The Company’s 2018 financial statements and its subsidiaries’ consolidated financial statements have already reviewed and approved at 8st meeting of the 34rd Board of Directors on March 28, 2019, for which the audit report was issued by the external auditors upon completion of the audit thereon.Said financial statements, together with the business report approved at the same meeting (please see Pages 2~3 of the Handbook), were also reviewed by the supervisor accordingly.
2. Enclosed please find the Company's 2018 Independent Auditor’s Report and Financial Statements (see Attachment).

Resolution : THAT the above is approved by ordinary resolution (approved by 562,446,990 out of a total of 589,603,185 shares present in person and in proxy), representing 95.39% of the shares present; vote against by 56,128, representing 0.01% of the shares present; vote abstained by 27,100,067, representing 4.6% of the shares present.

No. 2

Proposed by the Board of Directors

Proposal : Approval of the proposal for distribution of 2018 earnings

Description:

1. The Company's financial statements from January 1, 2018 to December 31, 2018 have been audited by the CPA. The Company's net income after tax was stated as NT$2,281,318,544.
2. The Company's earnings after tax and unallocated earnings upon annual final accounting in 2018 are scheduled to be allocated in the following manner:

(1) 10% set aside as legal reserve:

10% of the earnings after tax, NT$2,281,318,544, upon annual final accounting in 2018 was set aside as legal reserve, i.e., NT$228,131,854.

(2) Distribution of bonus:

Based on the earnings after tax upon annual final accounting in 2018, plus adjusted unallocated earnings, NT$947,626,556, and less legal reserve, NT$228,131,854, and the balance of unallocated earnings, NT$844,813,246, at the end of the year, NT$2,156,000,000, the bonus allocable to shareholders should be NT$2.2 per share in cash.

3. The motion has been reviewed and approved at 8st meeting of the Company's Board of Directors of 34rd term on March 28, 2019 and submitted to the supervisors for audit. Upon resolution by the general shareholders' meeting, the Board of Directors will be authorized by the shareholders' meeting to schedule the ex-dividend date. Where the Company repurchases the Company's shares or assigns or transfers of treasury stock or cancels the total outstanding shares in accordance with Article 28-2 of the Securities and Exchange Act and thereby results in some variance in the dividend yield to shareholders before the base date of allocation of shareholders' bonus in cash, the Board of Directors will deal with it with full power.
4. The summarization about subjects and amount of the allocation of remuneration to employees 2017 was disclosed in the Company's annual report and on the MOPS.
5. Effect upon business performance, earnings per share and ROE by the Company's stock dividend distributed as bonus shares: Not applicable, as the Company did not prepare the financial forecast or distribute new stock as bonus shares.
6. The Company's earnings allocation statement 2018 is enclosed herewith (see Attachment)..

Resolution : THAT the above is approved by ordinary resolution (approved by 563,912,177 out of a total of 589,603,185 shares present in person and in proxy), representing 95.64% of the shares present; vote against by 73,940, representing 0.01% of the shares present; vote abstained by 25,617,068, representing 4.35% of the shares present.

4. Matters to Discussion

No. 1

Proposed by the Board of Directors

Proposal : The amendments to “Procedure for Acquisition or Disposition of Assets” in part

Description:

1. The case is administered in accordance with the letters from the Taiwan Stock Exchange respectively dated November 27, 2018 under reference Tai-Zheng-Shang-1-Zi No. 1070023202 and December 22, 2018 under reference Tai-Zheng-shang-1-Zi No. 1070025080.
2. This amendments are made mainly for the following objectives:
   (1) The relevant provisions are revised to ensure compliance with the newly-implemented IFRS requirements.
   (2) The amendment is made to improve the quality of information disclosure. The disclosure requirements on part of the transactions have been relaxed in the meantime.
   (3) The accountabilities of external experts have been clearly defined.
   (4) Others.
3. The case has been reviewed and approved by the Audit Committee, and further submitted to and resolved in the 9th meeting of the 34th board of directors on April 30, 2019.
4. Attached please find a comparison table on the amendment of the “Taiwan Fertilizer Co., Ltd. Procedures Governing the Acquisition and Disposal of Assets” (Please refer to the appendices).

Resolution : THAT the above is approved by ordinary resolution (approved by 562,237,849 out of a total of 589,603,185 shares present in person and in proxy), representing 95.36% of the shares present;

vote against by 77,541 representing 0.01% of the shares present; vote abstained by 27,287,795 representing 4.63% of the shares present.

No. 2 Proposed by the Board of Directors

Proposal : The amendments to "Procedure for Loaning of Fund and Making of Endorsements/Guarantees" in part

Description:

1. The case is administered in accordance with the letter from the Financial Supervisory Commission dated March 7, 2019 under reference Jin-Guan-Zheng-Shen-Zi No. 1080304826.
2. This amendments are made mainly for the following objectives:
   (1) An additional clause has been added, stipulating that when the Company is engaged in short-term financing and the amount of the facilities has exceeded the limit prescribed in the Procedures, the responsible person of the Company shall be held jointly liable for the repayment and compensation.

   (2) The authority and accountabilities of the audit committee has been defined in the "Securities & Exchange Act". It is required that, for public companies with an audit committee, the establishment or amendment of the "Procedures Governing the Loaning of Funds and Making of Endorsements/Guarantees" shall be approved by the audit committee.

   (3) Some wording has been modified as appropriate to ensure compliance with the latest regulations.
3. The case has been reviewed and approved by the Audit Committee, and further submitted to and resolved in the 9th meeting of the 34th board of directors on April 30, 2019.
4. Attached please find a comparison table on the amendment of the "Taiwan Fertilizer Co., Ltd. - Procedures Governing the Loaning of Funds and Making of Endorsements/Guarantees" (Please refer to the appendices).

Resolution : THAT the above is approved by ordinary resolution (approved by 562,228,220 out of a total of 589,603,185 shares present in person and in proxy), representing 95.36% of the shares present; vote against by 90,351 representing 0.01% of the shares present; vote abstained by 27,284,614 representing 4.63% of the shares present.

5. Motions：

1. Shareholder Account Number: 338312 Shareholder Name: Peng Hsiao-Chiu
   (1) The tender case of the Hsinchu City Special Area D7 opened was not proceeded for the second time. Does the Company have a follow-up plan?
   (2) Hsinchu Science Park Bureau, MOST plans to purchase three hectares of land from Taiwan Fertilizer Co., Ltd. (hereinafter Taiwan Fertilizer). What is the current progress of the Nangang Software Park Station construction?
   (3) Nangang C3 Mitsui Outlet Park is expected to be completed in 2022. Can Taiwan Fertilizer’s C2 development case be completed ahead of time to increase company revenues?
2. Shareholder Account Number: 354231 Shareholder Name: Hsieh Cheng-Cheng
   (1) In conjunction with the policy, Taiwan Fertilizer’s 40kg-fertilizer has been reduced $20. What is its impact on the company revenue? How should the impact be minimized?
   (2) When can the new production factory base of Taiwan Fertilizer in the Special Zone for Petrochemical Industry, Port of Taichung currently under construction be completed? What is the capacity planning?
3. Shareholder Account Number: 349979 Shareholder Name: Yang En-Tsui
   (1) The existing site of the Second factory on Dongming Rd., Keelung is used as a parking lot with rentals amounting to $4 million a year. However, land taxes in the amount of $15 million are required to be rendered. Does the company have a specific improvement plan?

(2) The liquid ammonia storage tank of China Petrochemical Development Corporation (Kaohsiung) will be completed next year, and external sales will commence, making Taiwan Fertilizer no longer the exclusive supplier. Does the company have a coping plan?

4. Shareholder Account Number: 352363 Shareholder Name: Hsu Chia-Wei

According to the description on Page 138 of the Annual Report, C2 Development Case should complete construction within six years after signing the agreement on December 31st, 2013. However, the scheduled completion is 2023. What is the reason for that?

5. Shareholder Account Number: 354397 Shareholder Name: Hung Tsung-En

(1) What is the current situation of the housing and land sales? Why is the revenue for 2018 a negative figure?

(2) The real-estate investment has increased by 40%, but rental income has shown no growth. Please explain whether there are items with a substantial decrease in rental rates, of if there are items with reduced average rentals per 3.3058 square meters. Where are they located? What categories are they positioned as in the rental market?

The statements above have been elaborated by the Chairman and the managerial departments.

6. **Dismissed of the meeting：** The meeting was adjourned.