



第一金融控股股份有限公司 **First Financial Holding Co., Ltd.**

The Meeting Minutes of 2019 Annual General Meeting for First Financial Holding Company (the “Company”) (Excerpt Translation)

Date and Time: June 21, 2019 at 9:00 a.m.

Place: 22 Fl., No.30, Sec. 1, Chung King S. Rd., Taipei City (the auditorium of the headquarters of First Commercial Bank Co., Ltd.)

Total outstanding shares of the Company: 12,338,557,223 shares

Total shareholders reside in China: 2,989,936 shares

Total outstanding shares eligibly for the meeting: 12,335,567,287 shares

Total shares represented by shareholders present: 7,527,139,986 shares

Percentage of share held by shareholders present: 61.02%

Attendees: Chao-Dong Chang(Attorney-at-law)
Chien-Hung Cho(CPA)

Chairperson: Tsan-Chang Liao, the Chairperson of the Board of Directors

Recorder: Hui-Yuan Li, Jung-Wen Tsai

1. Chairperson of the Meeting announced that the aggregate shareholding of shareholders present constituted a quorum so that the Meeting began.
2. Opening speech of the Chairperson (Omitted).

Report Matters

Proposal:

- (i) President reported the business operation of the Company in 2018. (Detailed in Meeting Handbook, page 6-9.)
 - 1. Shareholder (No. 4400806) inquired about the Company's strategy facing US-China trade war.
 - 2. Shareholder (No. 3335558) questioned about the control of overseas exposures under the issues of Hong Kong anti-extradition bill protests, US-China trade war, Iran-US conflict, and US presidential election in 2020 etc.
 - 3. Shareholder (No. 3333841) spoke of several issues, including US-China trade war, impact from Common Reporting Standard, the repatriated capital of overseas Taiwan business, and Company's strategy to capture these business opportunities.

Each issue was responded respectively by Chairperson.

- (ii) Audit Committee reported the auditing process of 2018 financial statements. (Detailed in Meeting Handbook, page11.)
- (iii) Report of the offering of the Company's 2018 first issue of unsecured subordinated corporate bonds.

Explanation:

- 1. It is conducted in accordance with Article 246 of the Company Act.
- 2. For the purposes of repaying bank loans and maturing commercial papers and improving the group's capital adequacy ratio, it was resolved by the second board of directors meeting of the sixth term dated July 26, 2018 to issue "2018 First Issue of Unsecured Subordinated Corporate Bonds" ("Bonds"). The issuance of the Bond was approved by the Taipei Exchange (Ref. No.: Zheng-Gui-Zhai-Zi-10700260891) on October 3, 2018 and conducted on October 15, 2018 in the amount of NT\$ 10 billion. The fund utilization plan was finished by the end of fourth quarter of 2018.
- 3. For detailed terms of issue of the Bonds, please refer to Meeting Handbook, page 13-14. The major issuance terms are as follows:

Issue	Amount	Tenor	Coupon Rate	Issue Date	Maturity Date
107-1	NT\$ 10 billion	10 years	Fixed 1.5% per annum	10/15/2018	10/15/2028

- (iv) Report of the distribution of employee's compensation and director's remuneration in 2018.

Explanation:

1. This proposal was to conform to Article 34-1 of the Articles of Incorporation of Company, and has been approved by the 10th board meeting of the 6th term of the Board of Directors.
2. The distribution was listed below:
Net profit before tax which has not deducted employee's compensation and director's remuneration: NTD 17,527,937,661
Employee's compensation distributed – Cash (0.0504%): NTD 8,834,081
Director's remuneration distributed – Cash (0.90%): NTD 157,751,439

- (v) Report of amendments to "Rules Governing Procedure for Board Meetings of the Company".

Explanation:

To conform to the amendment to "The Company Act" announced on August 1, 2018, it is proposed that certain articles of "Rules Governing Procedure for Board Meetings of the Company" be amended. Please refer to Meeting Handbook, page 17-18.

Recognition Matters

- (i) Business Report and Consolidated Financial Statements for the Year 2018. (Detailed in Meeting Handbook, page 22-42.)

Explanation:

The Company's business operation report and consolidated financial statements for the year 2018 have been reviewed by Audit Committee and duly approved by the 10th meeting of the 6th term of Board of Directors as described in the Meeting Handbook (Detailed in page 11.). The consolidated financial statements have been

audited by Chien-Hung Chou and Shu-Mei Chi, the certified public accountants in PricewaterhouseCoopers, and a report in connection therewith has been submitted by the President and Audit Committee of the Company. The business report and consolidated financial statements are hereby respectfully submitted for recognition.

Upon emcee's announcement and explanation of recognition matter, following shareholder made speech.

Shareholder (No. 0770513) suggested to replace the company heads of First Life and First Securities given their poor performances in 2017 and 2018.

This issue was responded by President. Chairperson then announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 7,535,821,947 shares

Approved votes: 6,613,282,233 shares/87.76% (6,187,123,671 shares from E-voting)

Against votes: 1,522,457 shares/0.02% (1,522,457 shares from E-voting)

Abort votes: 921,017,257 shares/12.22% (903,311,418 shares from E-voting)

RESOLVED, that the Business Report and the Consolidated Financial Statements of 2018 be and hereby were approved as submitted.

(ii) Distribution of 2018 Profits. (Detailed in Meeting Handbook, page 44.)

Explanation:

1. The Consolidated Financial Statements of the Company were audited by certified public accountants, Chien-Hung Chou and Shu-Mei Chi, of PricewaterhouseCoopers, Taiwan, and the after tax net income in 2018 is NT\$17,332,199,294. In accordance with the Articles of Incorporation of the Company and other applicable laws to retain 10% thereof in the amount of NT\$1,733,219,929 as the legal reserve, and after taking into account the adjusted accumulated profits NT\$5,348,341,906 of the Company, the total distributable profit of this year is NT\$20,947,321,271 and is proposed to be distributed as follows: (Please see Attachment)
 - A. NT\$12,338,557,223 as cash dividends (NT\$1 per share).
 - B. NT\$1,233,855,720 as stock dividends (10 new shares per 1,000 existing shares).
 - C. Year-end balance of accumulated profits is NT\$7,374,908,328.

2. The adjusted accumulated profits of NT\$5,348,341,906 as above sourced from the accumulated profits of NT\$6,033,916,259 at beginning of 2018, deduct the adjustments of first-time adoption of IFRS9 by NT\$74,715,095, deduct the actuarial adjustments defined benefit plans of NT\$518,204,598, deduct the losses of equity instruments designated at FVTOCI by NT\$95,743,487, and add the reversal of the special reserve provided for first-time adoption of IFRS by NT\$3,088,827.
3. After the distribution of profit is approved by this Meeting, the Board of Directors is authorized both to set a record date for the distribution of cash dividends, and, after the capital increase of the Company is approved by the competent authorities, set a record date for the distribution of stock dividends.
4. Cash dividends shall be calculated and rounded down to dollar in proportion to stakeholding. The total amount of odd fraction will be counted as other income of Company.
5. If the number of the outstanding shares of the Company is subsequently changed due to any share buy-back by the Company, the transfer, conversion, cancellation of the shares or other circumstances resulting in the increase or decrease of the number of the outstanding shares, the Board of Directors then is authorized to adjust the distribution of dividends as appropriate.
6. This proposal for the distribution of profits has been approved by the 11th board meeting of the 6th term of Board of Directors and duly reviewed by Audit Committee.

Upon emcee's announcement and explanation of recognition matter, following shareholder made speech.

Shareholder (No. 4812033) concerned about several issues related to First Securities, including the in-coming new rules of continuous trading, and company strategies toward reduced earnings (downward EPS), higher attrition ratio, and lower market share.

This issue was explained by President of First Securities. Chairperson then announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 7,535,855,147 shares

Approved votes: 6,642,871,158 shares/88.15% (6,216,602,240 shares from E-voting)

Against votes: 2,141,320 shares/0.03% (2,141,320 shares from E-voting)

Abstain votes: 890,842,669 shares/11.82% (873,213,986 shares from E-voting)

RESOLVED, that the distribution of 2018 profits be and hereby were approved as proposed.

Discussion Matters

- (i) Please approve the Issuance of new shares via capitalization of profits of 2018.

Explanation:

1. In order to boost capital base and strengthen financial structure, it is proposed to appropriate NT\$ 1,233,855,720 from the 2018 distributable earnings as stock dividends pursuant to Article 240 of the Company Act. The par value of the shares to be issued is NT\$10 and the total number of the common shares to be issued is 123,385,572 shares and the total paid-in capital would reach NT\$124,619,427,950.
2. The Board of Directors is authorized to set the record date for the proposed capital increase after the approval of competent authority in connection therewith is granted. The distribution of the new shares should be made to the shareholders with no consideration at the ratio of 10 new shares for every 1,000 shares held by shareholders according to their respective shareholding as stated in shareholders' register book on the record date. Shareholders may, within five days from the record date for stock dividend, apply to the stock affairs agent of the Company to combine fractional shares into one share. Odd lots less than one share thus collected by the Company will be placed at its par value with specific parties as determined by the Chairperson under the authorization of the AGM.
3. The rights and obligations of the new shares to be issued under the proposed capital increase shall be the same as those of the existing shares of the Company.
4. The Board of Directors is authorized to make necessary amendment to the proposed capital increase if so instructed by the competent authority.
5. If the number of the outstanding shares of the Company is subsequently changed due to any share buy-back by the Company, the transfer, conversion, cancellation of the shares or other circumstances resulting in the increase or

decrease of the number of the outstanding shares, the Board of Directors is authorized to adjust the distribution of dividends as appropriate.

6. This proposal has been approved by the 11th board meeting of the 6th term of Board of Directors and duly reviewed by Audit Committee.

Upon emcee's announcement and explanation of discussion matter, no shareholder raise opinion. Chairperson announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 7,535,859,452 shares

Approved votes: 6,642,599,344 shares/88.15% (6,216,330,426 shares from E-voting)

Against votes: 2,229,701 shares/0.03% (2,229,701 shares from E-voting)

Abort votes: 891,030,407 shares/11.82% (873,397,419 shares from E-voting)

RESOLVED, that the capital increase from earnings in 2018 be and hereby were approved as proposed.

- (ii) To conform to the amendment to "The Company Act" announced on August 1st, 2018, it is proposed that certain articles of "The Articles of Incorporation of the Company" be amended.

Explanation:

1. The major amendments to the Articles of Incorporation are summarized as below:
 - A. The Company's English name shall be "First Financial Holding Co., Ltd."
 - B. The stipulation of publishing an announcement on a daily newspaper circulated in the place where the Company's head office is located is out of date; therefore, this article has been amended to provide that an announcement shall be published on a newspaper or an electronic newspaper instead.
 - C. Since the issuance of the Company's stock has been completely changed to issuance via book entry, the requirement regarding the printing of stock certificates has been deleted.
 - D. It is provided that a majority of the directors may, by filing a written proposal setting forth therein the subjects for discussions and the reasons,

request the chairman of the board of directors to convene a board of directors meeting, and that if the chairman of the board of directors fails to convene a board of directors meeting within the statutory period, the majority of the directors may convene a board of directors meeting on their own, without the need to obtain the approval from the competent authority.

2. Attachment please find the comparison table of the amended articles and description thereto. (Detailed in Meeting Handbook, page 49-50.)
3. This proposal has been approved by the 10th board meeting of the 6th term of the Board of Directors.

Upon emcee's announcement and explanation of discussion matter, no shareholder raise opinion. Chairperson announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 7,535,859,452 shares

Approved votes: 6,642,567,257 shares/88.15% (6,216,298,187 shares from E-voting)

Against votes: 1,602,092 shares/0.02% (1,602,092 shares from E-voting)

Abort votes: 891,690,103 shares/11.83% (874,057,267 shares from E-voting)

RESOLVED, that amendment to "The Articles of Incorporation of the Company" be and hereby were approved as proposed.

- (iii) Please approve the amendment to "The Rules Governing the Acquisition and Disposal of Assets of the Company".

Explanation:

1. To conform to the amended "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" per the letter issued by the Financial Supervisory Commission dated November 26th, 2018, so an amendment is made.
2. Please refer to Attachment 8 detailing comparison table and description of the amended articles of the Procedures Governing the Acquisition and Disposal of Assets of First Financial Holding Co., Ltd.
3. This proposal has been approved by the 5th meeting of the 3rd term of the audit committee and the 10th board meeting of the 6th term of Board of Directors.

Upon emcee's announcement and explanation of discussion matter, no shareholder raise opinion. Chairperson announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 7,535,859,452 shares

Approved votes: 6,642,554,391 shares/88.15% (6,216,285,321 shares from E-voting)

Against votes: 1,632,122 shares/0.02% (1,632,122 shares from E-voting)

Abort votes: 891,672,939 shares/11.83% (874,040,103 shares from E-voting)

RESOLVED, that amendment to "The Rules Governing the Acquisition and Disposal of Assets of the Company" be and hereby were approved as proposed.

- (iv) Please approve the release of Non-Competition restriction on the 6th term Board of Directors.

Explanation:

1. According to Article 209-1 of the Company Act, Directors shall explain the major impact and seek approval from shareholders meeting with regard to their engagement with peers.
2. Please refer to Meeting Handbook, page 72 as the explanation of new Board members added to 6th term of Directors' engagement with peers, post the release of Non-Competition restriction on the 6th term Board of Directors on June 22nd, 2018, upon approving release of restrictions of competitive activities of Directors.
3. This proposal has been approved by the 11th board meeting of the 6th term of board of directors.

Upon emcee's announcement and explanation of discussion matter, no shareholder raise opinion. Chairperson announced to rule the voting process.

Resolution:

Presenting by shareholders (present or proxy): 6,616,040,657 shares

Approved votes: 5,565,153,258 shares/84.12% (5,138,884,340 shares from E-voting)

Against votes: 3,811,348 shares/0.06% (3,811,348 shares from E-voting)

Abort votes: 1,047,076,051 shares/15.82% (1,029,443,063 shares from E-voting)

RESOLVED, that the release of Non-Competition restriction on the 6th term Board of Directors be and hereby were approved as proposed.

Extemporaneous motions:

- (i) Shareholder (no. 0770513) spoke of issue related to inaugural address of Chairperson.
- (ii) Shareholder (no. 4524846) concerned about issues of the risk of the syndication loan to offshore wind power projects, and any write-backs from Ching-Fu NPL.
- (iii) Shareholder (no. 4003308) questioned about had First Securities ever assigned its CIO for the PE fund investment on ShengHua Entertainment Communication co.,Ltd and the reason.

Each issue was responded respectively by Chairperson, President of First Bank, and President of First Securities. Upon a motion duly made and second, the meeting was adjourned at 10:41 p.m.

Tsan-Chang Liao

Chairperson of the meeting

Hui-Yuan Li / Jung-Wen Tsai

Recorder