Stock Code: 2892

# First Financial Holding Co., Ltd.

## Handbook for the 2020 Annual Shareholders' Meeting

## (Summary Translation)

Meeting Time: 9:00 am, Friday, June 19, 2020
Location: 30 Chung King S. Rd., Sec.1, Taipei 100, Taiwan

This English version handbook is a summary translation of the Chinese version and is for reference only. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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# First Financial Holding Co., Ltd.

## Procedure for the 2020 Annual Shareholders' Meeting

1. Call the Meeting to Order
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6. Extemporary Motions
7. Meeting Adjournment

First Financial Holding Co., Ltd.

## Agenda of 2020 Annual Shareholders' Meeting

Date and Time: June 19, 2020 at 9:00 a.m.

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

1. The Chairperson announces the aggregate shareholding of shareholders present constitute a quorum and call the meeting to order.
2. Chairperson's remarks
3. Report Matters:
   (a) President reports the business operation of the Company in 2019.
   (b) Audit committee report the auditing process of 2019 financial statements.
   (c) Report of the distribution of employee's compensation and director's remuneration in 2019.
4. Recognition Matters:
   (a) Please recognize the 2019 business report and consolidated financial statements of the Company.
   (b) Please recognize the distribution of 2019 profits.
5. Discussion Matters:
   (a) Please approve the issuance of new shares via capitalization of profits of 2019.
   (b) Please approve the amendments to the Articles of Incorporation of the Company.
   (c) Please approve the amendments to the Rules for Election of Directors of the Company.
6. Extemporary motions:
7. Meeting adjournment

# Report Matters

1. President reports the business operation of the Company in 2019.

   Explanation: The 2019 Business Report is attached as Attachment 1 (omitted).

2. Audit Committee report the auditing process of 2019 financial statements.

   Explanation: The 2019 Audit Committee's Review Report is attached as Attachment 2.

3. Report of the distribution of employee's compensation and director's remuneration in 2019.

   Explanation:

   1) This proposal was to conform to Article 34-1 of the Articles of Incorporation of Company, and has been approved by the 22nd 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 19,640,684,139
      Employee's compensation distributed – Cash (0.0550%): NTD 10,802,376
      Director's remuneration distributed – Cash (0.90%): NTD 176,766,157

# Recognition Matters

1. Please recognize the 2019 business report and consolidated financial statements of the Company.

   Explanation:

   The Business Report and the Company's Consolidated Financial Statements of 2019 have been examined by the Audit Committee, as well as approved by the 22nd board meeting of the 6th term of the Board of Directors. Among which, the Company's Consolidated Financial Statements were audited by certified public accountants, Chien-Hung Chou and Shu-Mei Chi, of PricewaterhouseCoopers, Taiwan. The 2019 Business Report and Consolidated Financial Statements are attached as Attachment 1 (omitted) and 3.

   Resolved:

2. Please recognize the distribution of 2019 profits.

   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 2019 is NT$19,368,751,268. In accordance with the applicable laws to retain the amount of NT$1,922,585,762 as the legal reserve, and after taking into account the adjusted accumulated profits NT$7,232,014,676 of the Company, the total distributable profit of this year is NT$24,678,180,182 and is proposed to be distributed as follows: (Please see details as Attachment 4.)
      A. NT$13,085,039,935 as cash dividends (NT$1.05 per share).
      B. NT$3,738,582,830 as stock dividends (30 new shares per 1,000 existing shares).
      C. Year-end balance of accumulated profits is NT$7,854,557,417.
   2) The adjusted accumulated profits of NT$7,232,014,676 as above sourced from the accumulated profits of NT$7,374,908,328 at beginning of 2019, deduct the actuarial adjustments defined benefit plans of NT$96,575,566,

deduct the losses of equity instruments designated at FVTOCI by NT$46,591,683, and add the reversal of the special reserve provided for first-time adoption of IFRS by NT$273,597.

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 23rd board meeting of the 6th term of Board of Directors and duly reviewed by Audit Committee.

Resolved:

# Discussion Matters

1. Please approve the issuance of new shares via capitalization of profits of 2019.

   Explanation:

   1) In order to boost capital base and strengthen financial structure, it is proposed to appropriate NT$ 3,738,582,830 from the 2019 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 373,858,283 shares and the total paid-in capital would reach NT$128,358,010,780.
   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 30 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 23rd board meeting of the 6th term of Board of Directors and duly reviewed by Audit Committee.

Resolved:

2. In order to diversify the Company's fund raising channels and increase its flexibility in the allocation of capital instruments, it is proposed to amend certain provisions of the Articles of Incorporation of First Financial Holding Co., Ltd. Please vote on the same.

   Explanation:

   1) The major amendments to the Articles of Incorporation are listed as follows:
      A. The rights, obligations and other important issuance terms of the Company's preferred shares are newly provided in accordance with Articles 157 and 158 of the Company Act.
      B. The provision of convention of the preferred shareholders' meeting by the Company is newly provided in accordance with Article 159 of the Company Act.
      C. The provision of distribution of the dividends of the preferred shares is newly provided in accordance with Article 235 of the Company Act.
   2) The Comparison Table of the Amended Articles and the descriptions thereof are attached hereto (please refer to Attachment 5).
   3) This proposal has been approved by the 23$^{th}$ board meeting of the 6$^{th}$ term of the Board of Directors.

   Resolved:

3. It is proposed to amend certain provisions of the Rules for Election of Directors of First Financial Holding Co., Ltd. Please vote on the same.

   Explanation:

1) Paragraph 1 of Article 198 of the Company Act stipulates: "In an election of directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elected." According to the interpretation letter issued by the Ministry of Economic Affairs on October 25, 2019 (Ref. No.: Jin-Shang-Zi-10800086000), in case the votes are split for election several directors, the number thereof should not exceed the number of the directors to be elected. Therefore, certain provisions of the Rules for Election of Directors of the Company are amended.
2) The major amendments are listed as follows:
   A. It is specified that if the voting rights are divided to vote for several persons, the number of such persons should not exceed the number of the directors to be elected.
   B. It is specified that the Board of Directors shall prepare the number of ballots equivalent to that of the directors to be elected.
3) The Comparison Table of the Amended Articles and the descriptions thereof are attached hereto (please refer to Attachment 6).
4) This proposal has been approved by the 21st board meeting of the 6th term of the Board of Directors.

Resolved:

# Extemporary Motions

# First Financial Holding Co., Ltd.

## Audit Committee's Report

The Board of Directors of the Company has prepared and delivered the Business Report, the Consolidated Financial Statements, and earnings distribution proposal for 2019. Wherein, the Consolidated Financial Statements were audited by certified public accountants, Chien-Hung Chou and Shu-Mei Chi, of PricewaterhouseCoopers, Taiwan. The Audit Committee has reviewed the above Business Report, the Consolidated Financial Report and earnings distribution proposal and found nothing incorrect. We hereby submit this report in accordance with Article 14-4 and Article 36 of the Securities and Exchange Act and Article 219 of the Company Act.

To: 2020 General Shareholders' Meeting

First Financial Holding Co., Ltd.

Convener of Audit Committee: Rachel J. Huang

April, 23 2020

Attachment 3

# FIRST FINANCIAL HOLDING CO., LTD.
# AND ITS SUBSIDIARIES
# CONSOLIDATED FINANCIAL STATEMENTS
# AND REPORT OF INDEPENDENT ACCOUNTANTS
# FOR THE YEARS ENDED
# DECEMBER 31, 2019 AND 2018

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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(109) PWCR19000290

REPORT OF INDEPENDENT ACCOUNTANTS

**To the Board of Directors and Stockholders of First Financial Holding Co., Ltd.**

## *Opinion*

We have audited the accompanying consolidated balance sheets of First Financial Holding Co., Ltd. (the "Company") and its subsidiaries (collectively "First Group") as at December 31, 2019 and 2018, and the related consolidated statements of comprehensive income of, changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of First Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Financial Holding Companies", "Regulations Governing the Preparation of Financial Reports by Public Banks", "Regulations Governing the Preparation of Financial Reports by Securities Firms", "Regulations Governing the Preparation of Financial Reports by Insurance Companies", "Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants", and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

## *Basis for opinion*

For the year ended December 31, 2019, we conducted our audit in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants", Jin-Guan-Yin-Fa-Zi Letter No.10802731571 and generally accepted auditing standards in the Republic of China (ROC GAAS); for the year ended December 31, 2018, we conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements of Financial Institutions by Certified Public Accountants" and ROC GAAS. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of First Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the 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 for our opinion.

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## *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

First Group's key audit matters for the year ended December 31, 2019 are addressed as follows:

### Recognition and measurement of expected credit losses on loans discounted

Description

The recognition and measurement of expected credit losses on loans discounted complies with the regulations under IFRS 9 "Financial Instruments" and relevant regulations issued by the competent authority. For the accounting policy of recognition and measurement of expected credit losses on loans discounted, please refer to Note 4(9); for critical accounting judgements, estimates, and assumption uncertainty of the recognition and measurement of expected credit losses on loans discounted, please refer to Note 5(3). For information on loans discounted allowance for doubtful debts, which amounted to $22,598,525 thousand, as at December 31, 2019, please refer to Note 6(8); for disclosures of related credit risks, please refer to Note 12(2)D(C).

As stated in Notes 5(3), impairment assessment of loans discounted is based on the expected credit loss model. At each financial reporting date, financial instruments are categorised into three stages based on the degree of change in its credit risk since initial recognition. Provision for impairment loss is measured either using 12-month expected credit losses (stage 1, there has been no significant increase in credit risk since initial recognition) or lifetime expected credit losses (stage 2, there has been a significant increase in credit risk since initial recognition; or stage 3, the credit has impaired). The measurement of expected credit losses is based on a complex model, which includes various parameters and assumptions and reflects reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. For example, the probability of default and loss given default are estimated using grouping and historical data and subsequently calibrated according to forward-looking information. Major exposure at default of on-balance sheet items is the outstanding loan balance.

The aforementioned recognition and measurement of expected credit losses on loans discounted use a complex model, which involves various assumptions, estimates, and judgements, as well as predictions and assessments of future economic conditions and credit behavior of debtors. The amounts, recognised in a manner consistent with regulations and interpretations, are directly subject to the measurement results. Thus, we have included recognition and measurement of expected credit losses on loans discounted as one of the key audit matters in our audit in the year of 2019.

How our audit addressed the matter

The procedures that we have conducted in response to specific aspects of the above-mentioned key audit matter are summarised as follows:

1. Understood and assessed the related written policies, internal control system, the expected credit loss impairment model and methodology (including various parameters and assumptions, reasonableness of the measurement criteria for the three stages of credit risk, and the relevancy of future economic condition criteria in forward-looking information), and the assessment and approval process.

2. Sampled and tested the implementation effectiveness of internal controls related to the recognition and measurement of expected credit losses, including management of collateral and its value assessment, controls for changes in parameters, and approval for provisioning of expected credit losses.

3. Sampled and tested the consistency of measurement criteria for the samples in the three stages of expected credit loss with the judgement results of the system.

4. Sampled and tested assumptions for the parameters of the expected credit loss model, including the reasonableness of historical data on probability of default, loss given default, and exposure at default.

5. Sampled and tested forward-looking information.

   (1) Sampled and tested the reliability of data on historical economic conditions (economic growth rate, annual inflation rate, etc.) adopted by management to determine whether there is significant increase in credit risk when measuring expected credit losses under IFRS 9.

   (2) Assessed the reasonableness of the forward-looking scenarios and their respective weights adopted by the management.

6. Assessed cases in stage 3 (credit impaired) with material amounts that were previously assessed individually.
   Assessed the reasonableness and calculation accuracy of the various assumed parameter values (including debtor due period, financial and operational conditions, guarantees by external parties and historical data) adopted in the estimation of future cash flows.

**Fair value measurement of unlisted stocks without an active market**

Description

For the accounting policy for unlisted stocks without an active market (included financial assets at fair value through other comprehensive income), please refer to Note 4(7); for critical accounting judgements, estimates, and assumption uncertainty of unlisted stocks without an active market, please refer to Note 5(2). For information on unlisted stocks of financial assets at fair value through other comprehensive income (fair value of Level 3), which amounted to $11,984,960 thousand, as at December 31, 2019, please refer to Note 6(4) and Note 12(1)E.

The fair value of unlisted stocks is determined by valuation methods since these financial instruments have no quoted prices from active market. Management primarily relies on valuation reports prepared by external financial consultants for the fair value measurement of these financial instruments. These measurements are largely based on comparable listed companies in similar industries or recently published market multiples and subsequently discounted according to market liquidity or specified risk.

The aforementioned fair value measurement of unlisted stocks includes the determination of assumptions and parameters adopted in valuation models and methods. Because this involves subjective judgement and various assumptions and estimates, the measurement result of using these assumptions and estimates will directly affect the related recognised amounts. Thus, we have included the fair value measurement of stocks of unlisted companies with no active market as one of the key audit matters in our audit.

How our audit addressed the matter

The procedures that we have conducted in response to specific aspects of the above-mentioned key audit matter are summarised as follows:

1. Understood and assessed the related written policies, internal control system, fair value measurement models and methodologies, and approval process of the fair value measurement of unlisted stocks.
2. Understood and assessed the independence, professionalism, and competency of management's expert.
3. Assessed whether the valuation models and methodologies used by management's expert are widely adopted in the applicable industries.
4. Assessed the reasonableness of the parameters and assumptions of comparable companies selected by management's expert.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Financial Holding Companies", "Regulations Governing the Preparation of Financial Reports by Public Banks", "Regulations Governing the Preparation of Financial Reports by Securities Firms", "Regulations Governing the Preparation of Financial Reports by Insurance Companies", "Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants", and the International Finantial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing First Group'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 First Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing First Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ROC GAAS 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 consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated 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 First Group's internal control.
3. Evaluate the adequacy of accounting policies used and the rationality 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 First Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause First Group to cease to continue as a going concern.

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5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within First Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group 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 consolidated financial statements of 2019 and are therefore the key audit matters. We describe these matters in our auditor's 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.

Chou, Chien-Hung Chi, Shu-Mei

Chou, Chien-Hung Chi, Shu-Mei

for and on behalf of PricewaterhouseCoopers, Taiwan
March 26, 2020

The accompanying consolidated financial statements are not intended to present the financial position and financial performance and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in Thousands of New Taiwan dollars)

| ASSETS | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|
| Cash and cash equivalents | 6(1) and 7 | $ 48,576,432 | 2 | $ 53,471,425 | 2 |
| Due from the Central Bank and call loans to banks | 6(2) and 7 | 279,960,707 | 9 | 218,656,022 | 7 |
| Financial assets at fair value through profit or loss | 6(3) and 7 | 173,429,554 | 5 | 152,181,380 | 5 |
| Financial assets at fair value through other comprehensive income | 6(4), 7 and 8 | 298,965,245 | 9 | 234,217,615 | 8 |
| Investments in debt instruments at amortised cost | 6(5) and 8 | 495,950,441 | 16 | 426,599,708 | 15 |
| Securities purchased under resell agreements | 6(6) | 880,121 | - | - | - |
| Receivables, net | 6(7) and 7 | 68,759,390 | 2 | 84,548,758 | 3 |
| Current tax assets | | 1,344,798 | - | 1,324,378 | - |
| Loans discounted, net | 6(8) and 7 | 1,764,974,563 | 55 | 1,696,244,189 | 58 |
| Reinsurance contract assets, net | 6(9) | 27,013 | - | 30,338 | - |
| Investments accounted for using equity method, net | 6(10) | 2,605,277 | - | 2,504,068 | - |
| Other financial assets, net | 6(11) and 8 | 21,354,039 | 1 | 21,177,865 | 1 |
| Investment property, net | 6(12) and 8 | 10,525,271 | - | 9,567,691 | - |
| Property and equipment, net | 6(13) and 8 | 26,568,469 | 1 | 27,162,270 | 1 |
| Right-of-use assets | 6(14) | 2,921,479 | - | - | - |
| Intangible assets, net | | 683,552 | - | 515,359 | - |
| Deferred income tax assets, net | 6(42) | 3,056,438 | - | 2,924,461 | - |
| Other assets, net | 6(16) and 8 | 6,184,286 | - | 4,078,892 | - |
| **Total Assets** | | $ 3,206,767,075 | 100 | $ 2,935,204,419 | 100 |

(Continued)

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in Thousands of New Taiwan dollars)

| LIABILITIES AND EQUITY | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|
| Deposits from the Central Bank and banks | 6(17) and 7 | $ 285,023,923 | 9 | $ 240,743,329 | 8 |
| Due to the Central Bank and banks | | 263,595 | - | 333,951 | - |
| Financial liabilities at fair value through profit or loss | 6(18) and 7 | 34,712,214 | 1 | 32,913,908 | 1 |
| Securities sold under repurchase agreements | 6(19) | 24,536,620 | 1 | 22,006,303 | 1 |
| Commercial papers issued, net | 6(20) | 15,655,594 | 1 | 12,172,532 | 1 |
| Payables | 6(21) | 68,597,993 | 2 | 91,680,591 | 3 |
| Current tax liabilities | | 3,549,024 | - | 2,282,290 | - |
| Deposits | 6(22) and 7 | 2,399,210,430 | 75 | 2,175,825,711 | 74 |
| Bonds payable | 6(23) | 37,950,000 | 1 | 47,150,000 | 2 |
| Other borrowings | 6(24) | 1,250,000 | - | 2,650,000 | - |
| **Provisions** | 6(25) | | | | |
| Provision for insurance | | 34,264,224 | 1 | 23,130,226 | 1 |
| Provision for employee benefits | | 4,735,338 | - | 5,318,941 | - |
| Provision for guarantee liabilities | | 761,716 | - | 678,100 | - |
| Provision for loan commitments | | 444,319 | - | 603,784 | - |
| Other provisions | | 47,469 | - | 52,890 | - |
| Other financial liabilities | 6(26) | 60,418,879 | 2 | 60,446,492 | 2 |
| Lease liabilities | | 2,700,947 | - | - | - |
| Deferred tax liabilities | 6(42) | 7,158,840 | - | 6,743,561 | - |
| Other liabilities | 6(27) | 5,753,443 | - | 5,168,738 | - |
| **Total Liabilities** | | 2,987,034,568 | 93 | 2,729,901,347 | 93 |
| **Equity attributable to owners of the parent** | | | | | |
| **Capital** | | | | | |
| Common stock | 6(28) | 124,619,428 | 4 | 123,385,572 | 4 |
| **Capital surplus** | 6(28) | 26,107,218 | 1 | 26,107,218 | 1 |
| **Retained earnings** | | | | | |
| Legal reserve | 6(28) | 17,381,327 | - | 15,648,107 | 1 |
| Special reserve | 6(28) | 4,117,804 | - | 4,118,077 | - |
| Unappropriated earnings | 6(4)(29) | 26,600,766 | 1 | 22,680,541 | 1 |
| **Other equity interest** | 6(30) | 20,905,964 | 1 | 13,363,557 | - |
| **Total Equity** | | 219,732,507 | 7 | 205,303,072 | 7 |
| **Total Liabilities And Equity** | | $ 3,206,767,075 | 100 | $ 2,935,204,419 | 100 |

The accompanying notes are an integral part of these consolidated financial statements.

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

| | | For the years ended December 31, | | | | Change |
|---|---|---|---|---|---|---|
| | | 2019 | | 2018 | | Percentage |
| | Notes | Amount | % | Amount | % | |
| Interest income | | $ 53,624,043 | 100 | $ 49,122,948 | 100 | 9 |
| Interest expense | | ( 24,019,804) | ( 45) | ( 18,855,005) | ( 38) | 27 |
| **Net interest income** | 6(31) and 7 | 29,604,239 | 55 | 30,267,943 | 62 | ( 2) |
| **Net revenue other than interest** | | | | | | |
| Net service fee revenue and commissions | 6(32) and 7 | 8,675,599 | 16 | 8,525,685 | 17 | 2 |
| Net insurance revenue | 6(33) | 11,728,782 | 22 | 11,733,052 | 24 | - |
| Gains on financial assets and liabilities at fair value through profit or loss | 6(3)(34) | 9,072,165 | 17 | 4,879,870 | 10 | 86 |
| Gains on investment property | | 138,004 | - | 116,837 | - | 18 |
| Realised gains on financial assets at fair value through other comprehensive income | 6(4)(35) | 1,505,317 | 3 | 1,565,925 | 3 | ( 4) |
| Excluding gain on financial assets measured at amortised cost | | 40,135 | - | 21,865 | - | 84 |
| Foreign exchange gains | | 1,146,867 | 2 | 2,499,200 | 5 | ( 54) |
| Impairment loss on assets | 6(36) | ( 18,364) | - | ( 89,650) | - | ( 80) |
| Share of profit of associates and joint ventures accounted for using equity method | 6(10) | 125,064 | - | 110,151 | - | 14 |
| Gain or loss on reclassification under overlay approach | | ( 22,373) | - | - | - | - |
| Other revenue other than interest income | 6(37) | 322,439 | 1 | 617,868 | 1 | ( 48) |
| **Net income** | | 62,317,874 | 116 | 60,248,746 | 122 | 3 |
| Bad debt expense, commitment and guarantee liability provisions | 6(8)(25) | ( 3,852,196) | ( 7) | ( 5,486,345) | ( 11) | ( 30) |
| Net change in provisions for insurance liabilities | 6(38) | ( 11,256,010) | ( 21) | ( 11,153,372) | ( 23) | 1 |
| **Operating expenses** | | | | | | |
| Employee benefits expense | 6(39) | ( 15,550,872) | ( 29) | ( 14,886,242) | ( 30) | 4 |
| Depreciation and amortisation expenses | 6(40) | ( 1,790,467) | ( 4) | ( 1,093,176) | ( 2) | 64 |
| Other general and administrative expenses | 6(41) and 7 | ( 6,559,773) | ( 12) | ( 6,927,015) | ( 14) | ( 5) |
| **Income from continuing operations** | | 23,308,556 | 43 | 20,702,596 | 42 | 13 |
| Income tax expense | 6(42) | ( 3,939,805) | ( 7) | ( 3,370,397) | ( 7) | 17 |
| **Profit** | | 19,368,751 | 36 | 17,332,199 | 35 | 12 |

(Continued)

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

| | | For the years ended December 31, | | | | Change |
|---|---|---|---|---|---|---|
| | | 2019 | | 2018 | | Percentage |
| | Notes | Amount | % | Amount | % | |
| **Other comprehensive income** | 6(30) | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Remeasurement of defined benefit plan | 6(25) | ($ 120,719) | - | ($ 700,546) | ( 1) | ( 83) |
| Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income | 6(4) | 5,001,060 | 9 | 1,201,649 | 3 | 316 |
| Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | | 24,144 | - | 182,341 | - | ( 87) |
| **Items that may be reclassified subsequently to profit or loss** | | | | | | |
| Exchange differences on translation | | ( 1,763,616) | ( 3) | 1,077,834 | 2 | ( 264) |
| Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income | 6(4) | 4,438,114 | 8 | ( 1,296,882) | ( 3) | ( 442) |
| Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss | 6(10) | ( 18,517) | - | ( 98,402) | - | ( 81) |
| Other comprehensive income on reclassification under the overlay approach | 6(3) | 22,373 | - | - | - | - |
| Income tax related to components of other comprehensive income that will be reclassified to profit or loss | 6(4) | ( 183,598) | - | 51,032 | - | ( 460) |
| **Other comprehensive income, net of tax** | | 7,399,241 | 14 | 417,026 | 1 | 1674 |
| **Total comprehensive income** | | $ 26,767,992 | 50 | $ 17,749,225 | 36 | 51 |
| **Profit, attributable to:** | | | | | | |
| Profit, attributable to owners of parent | | $ 19,368,751 | 36 | $ 17,332,199 | 35 | 12 |
| | | $ 19,368,751 | 36 | $ 17,332,199 | 35 | 12 |
| **Comprehensive income attributable to:** | | | | | | |
| Comprehensive income, attributable to owners of parent | | $ 26,767,992 | 50 | $ 17,749,225 | 35 | 54 |
| | | $ 26,767,992 | 50 | $ 17,749,225 | 35 | 54 |
| **Earnings per share** | | | | | | |
| Basic and diluted earnings per share from continuing operations, net of income tax | 6(43) | $ | 1.55 | $ | 1.39 | |

The accompanying notes are an integral part of these consolidated financial statements.

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Thousands of New Taiwan dollars)

| | Equity attributable to owners of the parent | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Retained Earnings | | | Other equity | | | | | | |
| | Ordinary share | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Exchange difference on translation of foreign financial statements | Unrealised gains (losses) on financial assets at fair value through other comprehensive income | Unrealised gains (losses) on available-for-sale financial assets | Other comprehensive income on reclassification under overlay approach | Total | Non-controlling interests | Total |
| For the year ended December 31, 2018 | | | | | | | | | | | | |
| Balance at January 1, 2018 | $ 122,163,933 | $ 25,916,221 | $ 14,099,804 | $ 4,121,166 | $ 19,798,613 | ($ 2,041,404) | $ - | $ 7,724,310 | $ - | $ 191,782,643 | $ 268,324 | $ 192,050,967 |
| Retrospective application and retrospective adjustment effects | - | - | - | - | (74,715) | - | 14,338,369 | (7,724,310) | - | 6,539,344 | (41,710) | 6,497,634 |
| The amount restated at January 1, 2018 | 122,163,933 | 25,916,221 | 14,099,804 | 4,121,166 | 19,723,898 | (2,041,404) | 14,338,369 | - | - | 198,321,987 | 226,614 | 198,548,601 |
| Net income for the period | - | - | - | - | 17,332,199 | - | - | - | - | 17,332,199 | - | 17,332,199 |
| Other comprehensive (loss) income for the period | - | - | - | - | (518,205) | 979,432 | (44,201) | - | - | 417,026 | - | 417,026 |
| Total comprehensive income (loss) | - | - | - | - | 16,813,994 | 979,432 | (44,201) | - | - | 17,749,225 | - | 17,749,225 |
| Appropriation of prior year's earnings | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,548,303 | - | (1,548,303) | - | - | - | - | - | - | - |
| Special reserve appropriated | - | - | - | (3,089) | 3,089 | - | - | - | - | - | - | - |
| Cash dividends of ordinary shares | - | - | - | - | (10,994,754) | - | - | - | - | (10,994,754) | - | (10,994,754) |
| Stock dividends of ordinary shares | 1,221,639 | - | - | - | (1,221,639) | - | - | - | - | - | - | - |
| Difference between consideration and carrying amount of subsidiaries acquired | - | 190,997 | - | - | - | (1,855) | 37,472 | - | - | 226,614 | (226,614) | - |
| Gain or loss on disposal of investments in equity instruments measured at fair value through other comprehensive income | - | - | - | - | (95,744) | - | 95,744 | - | - | - | - | - |
| Balance at December 31, 2018 | $ 123,385,572 | $ 26,107,218 | $ 15,648,107 | $ 4,118,077 | $ 22,680,541 | ($ 1,063,827) | $ 14,427,384 | $ - | $ - | $ 205,303,072 | $ - | $ 205,303,072 |
| For the year ended December 31, 2019 | | | | | | | | | | | | |
| Balance at January 1, 2019 | $ 123,385,572 | $ 26,107,218 | $ 15,648,107 | $ 4,118,077 | $ 22,680,541 | ($ 1,063,827) | $ 14,427,384 | $ - | $ - | $ 205,303,072 | $ - | $ 205,303,072 |
| Net income for the period | - | - | - | - | 19,368,751 | - | - | - | - | 19,368,751 | - | 19,368,751 |
| Other comprehensive (loss) income for the period | - | - | - | - | (96,575) | (1,782,133) | 9,253,766 | - | 24,183 | 7,399,241 | - | 7,399,241 |
| Total comprehensive income (loss) | - | - | - | - | 19,272,176 | (1,782,133) | 9,253,766 | - | 24,183 | 26,767,992 | - | 26,767,992 |
| Appropriation of prior year's earnings | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,733,220 | - | (1,733,220) | - | - | - | - | - | - | - |
| Special reserve appropriated | - | - | - | (273) | 273 | - | - | - | - | - | - | - |
| Cash dividends of ordinary shares | - | - | - | - | (12,338,557) | - | - | - | - | (12,338,557) | - | (12,338,557) |
| Stock dividends of ordinary shares | 1,233,856 | - | - | - | (1,233,856) | - | - | - | - | - | - | - |
| Gain or loss on disposal of investments in equity instruments measured at fair value through other comprehensive income | - | - | - | - | (46,591) | - | 46,591 | - | - | - | - | - |
| Balance at December 31, 2019 | $ 124,619,428 | $ 26,107,218 | $ 17,381,327 | $ 4,117,804 | $ 26,600,766 | ($ 2,845,960) | $ 23,727,741 | $ - | $ 24,183 | $ 219,732,507 | $ - | $ 219,732,507 |

The accompanying notes are an integral part of these consolidated financial statements.

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan dollars)

| | For the years ended December 31, 2019 | 2018 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit from continuing operations before tax | $ 23,308,556 | $ 20,702,596 |
| Adjustments to reconcile income before tax to net cash provided by operating activities | | |
| Income and expenses having no effect on cash flows | | |
| Provision for bad debt expense, commitment and guarantee liability provisions | 6,749,704 | 8,502,895 |
| Depreciation of investment property | 26,476 | 24,383 |
| Depreciation of property and equipment | 806,832 | 831,913 |
| Depreciation of right-of-use assets | 676,321 | - |
| Interest expense | 24,019,804 | 18,855,005 |
| Amortisation expense | 280,838 | 236,880 |
| Share of loss associates accounted for using equity method | ( 125,064 ) | ( 110,151 ) |
| Interest income | ( 53,624,043 ) | ( 49,122,948 ) |
| Dividend income | ( 1,474,835 ) | ( 1,127,534 ) |
| Net change in insurance liabilities | 11,303,613 | 11,191,596 |
| Net change in provisions for foreign exchange price fluctuation | ( 9,664 ) | 6,387 |
| Loss on disposal of property and equipment | 3,689 | 2,633 |
| (Gain) loss on disposal of investment properties | ( 1,624 ) | 7,053 |
| Impairment loss on non-financial assets | 18,364 | 89,650 |
| Gain or loss reclassified by applying overlay approach | 22,373 | - |
| Changes in operating assets and liabilities | | |
| Changes in operating assets | | |
| Increase in due from the Central Bank | ( 6,855,323 ) | ( 5,722,332 ) |
| Increase in financial assets at fair value through profit or loss | ( 21,248,174 ) | ( 49,214,652 ) |
| Increase in financial assets at fair value through other comprehensive income | ( 55,504,207 ) | ( 21,772,191 ) |
| Increase in investments in debt instruments at amortised cost | ( 69,357,300 ) | ( 72,761,960 ) |
| Decrease (increase) in receivables | 16,105,111 | ( 9,168,224 ) |
| Increase in loans discounted | ( 75,238,935 ) | ( 121,974,400 ) |
| Increase in other financial assets | ( 38,593 ) | ( 756,247 ) |
| Decrease (increase) in reinsurance assets | 15,309 | ( 10,591 ) |
| Increase in other assets | ( 54,388 ) | ( 154,677 ) |
| Changes in operating liabilities | | |
| Increase in deposits from the Central Bank and banks | 44,280,594 | 86,852,575 |
| Increase (decrease) in financial liabilities at fair value through profit or loss | 1,798,306 | ( 1,370,472 ) |
| (Decrease) increase in payables | ( 23,355,696 ) | 7,259,042 |
| Increase in deposits and remittances | 223,384,719 | 158,963,424 |
| (Decrease) increase in other financial liabilities | ( 236,856 ) | 9,645,026 |
| Decrease in employee benefit liability | ( 583,603 ) | ( 655,785 ) |
| (Decrease) increase in provisions | ( 274,509 ) | 186,571 |
| Increase (decrease) in other liabilities | 584,705 | ( 776,095 ) |
| Cash inflow (outflow) generated from operations | 45,402,500 | ( 11,340,630 ) |
| Interest received | 53,180,592 | 47,599,837 |
| Interest paid | ( 23,744,013 ) | ( 17,950,039 ) |
| Dividend received | 1,470,917 | 1,127,534 |
| Income tax paid | ( 2,386,045 ) | ( 4,012,291 ) |
| Net cash flows provided by operating activities | 73,923,951 | 15,424,411 |

(Continued)

FIRST FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan dollars)

| | For the years ended December 31, 2019 | For the years ended December 31, 2018 |
|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of property and equipment | ($ 1,059,129 ) | ($ 708,318 ) |
| Increase in investments using the equity method | ( 74,250 ) | ( 74,250 ) |
| Acquisition of investment property | ( 344,795 ) | ( 82,138 ) |
| Acquisition of intangible assets | ( 433,385 ) | ( 294,907 ) |
| Proceeds from disposal of property and equipment | 43 | 576 |
| Proceeds from disposal of investment property | 2,494 | 6,734 |
| (Increase) decreasein other assets | ( 2,117,351 ) | 403,038 |
| Proceeds from disposal of investments using the equity method | - | 14,167 |
| Proceeds from disposal of intangible assets | 125 | 135 |
| Net cash flows used in investing activities | ( 4,026,248 ) | ( 734,963 ) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| (Decrease) increase in due to the Central Bank and banks | ( 70,356 ) | 251,587 |
| Increase in bills and bonds sold under repurchase agreements | 2,530,317 | 8,582,966 |
| Increase (decrease) in commercial papers payable | 3,483,062 | ( 10,796,303 ) |
| (Repayments of) proceeds from issuing bank notes payable | ( 9,200,000 ) | 7,850,000 |
| (Decrease) increase in other borrowings | ( 1,400,000 ) | 1,350,000 |
| Increase in bonds payable | - | 10,000,000 |
| Payments of lease liabilities | ( 689,123 ) | - |
| Distribution of cash dividends | ( 12,338,557 ) | ( 10,994,754 ) |
| Net cash flows (used in) provided by financing activities | ( 17,684,657 ) | 6,243,496 |
| Effect of exchange rate changes on cash and cash equivalents | ( 1,775,074 ) | 904,344 |
| Net increase in cash and cash equivalents | 50,437,972 | 21,837,288 |
| Cash and cash equivalents at beginning of period | 214,352,863 | 192,515,575 |
| Cash and cash equivalents at end of period | $ 264,790,835 | $ 214,352,863 |
| The components of cash and cash equivalents： | | |
| Cash and cash equivalents reported in the statement of financial position | $ 48,576,432 | $ 53,471,425 |
| Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7 | 215,334,282 | 160,881,438 |
| Securities purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7 | 880,121 | - |
| Cash and cash equivalents at end of period | $ 264,790,835 | $ 214,352,863 |

The accompanying notes are an integral part of these consolidated financial statements.

Attachment 4

**FIRST FINANCIAL HOLDING CO., LTD.**
**Profit Distribution Table**
**Year 2019**
**(Expressed in New Taiwan Dollars)**

| | | |
|---|---|---|
| | Beginning retained earnings | $7,374,908,328 |
| Add(Less): | Actuarial adjustment on defined benefit plans | -96,575,566 |
| Add(Less): | Gains/losses of equity instruments designated at FVTOCI | -46,591,683 |
| Add(Less): | the reversal of the special reserve provided for first-time adoption of IFRS | 273,597 |
| | Adjusted unappropriated earnings | 7,232,014,676 |
| | | |
| Add(Less): | Profit of the year | 19,368,751,268 |
| Less: | Legal reserve | -1,922,585,762 |
| | Distributable profit | 24,678,180,182 |
| | Distributable items: | |
| | Cash dividends to ordinary shares @1.05 | -13,085,039,935 |
| | Stock dividends to ordinary shares @0.3 | -3,738,582,830 |
| | Unappropriated earnings | $7,854,557,417 |

## Articles of Incorporation of First Financial Holding Co., Ltd.
## Comparison Table of the Amended Articles and Descriptions

| Amended Articles | Current Articles | Description |
|---|---|---|
| Article 5<br>The total capital stock of the Company shall be in the amount of 200,000,000,000 New Taiwan Dollars, divided into 20,000,000,000 shares with the par value of ten (10) New Taiwan Dollars per share, which may be issued in installments **and part of which may be preferred shares**. The Board of Directors shall be authorized to issue the unissued shares. | Article 5<br>The total capital stock of the Company shall be in the amount of 200,000,000,000 New Taiwan Dollars, divided into 20,000,000,000 shares with the par value of ten (10) New Taiwan Dollars per share, which may be issued in installments. The Board of Directors shall be authorized to issue the unissued shares. | According to Article 156 of the Company Act, the shares of the Company's total capital stock are amended to include common shares and preferred shares. |
| **Article 5-1**<br>**The rights and obligations and other important issuance terms of the Company's preferred shares are as follows:**<br>**1. In case of any earnings in the annual final accounts, the Company shall pay all taxes and offset any cumulative losses as required by law, as well as set aside any remaining earnings for the legal reserve and set aside or reverse any remaining earnings for the special reserve when there are positive earnings. Residual earnings, if any, may be distributed first to the dividends on preferred shares that may be distributed in the current year.**<br>**2. The dividend on preferred shares shall be limited to a maximum of 8% per annum, calculated by the issuance price per share, and the dividend may be distributed once in cash every year. After the financial statements have been approved by the annual general meeting, the Board of Directors will determine the record date on which the distributable dividends for the previous year are paid. The distribution amount of dividends in** | | 1. This Article is newly added.<br>2. The rights and obligations and other important issuance terms of the Company's preferred shares are specified in accordance with Articles 157 and 158. |

| Amended Articles | Current Articles | Description |
|---|---|---|
| **<u>the year of issuance and redemption shall be calculated by the actual issuance days of the current year.</u>**<br>**<u>3. The Company has sole discretion over the distribution of dividends on preferred shares. The Company may resolve not to distribute dividends on preferred shares and submit the earnings distribution proposal to the shareholders' meeting for resolution and execution, which shall not constitute an event of default, if there is no earnings in the annual final accounts or the earnings are insufficient to distribute dividends on preferred shares, or if the distribution of dividends on preferred shares will cause the Company's capital adequacy ratio to fall to a level lower than the minimum requirement by laws or the competent authority, or due to other necessary considerations. Any undistributed dividends or shortfalls in dividend distributions shall not be cumulative; therefore, no deferred payment will be paid in subsequent years where there are earnings.</u>**<br>**<u>4. In addition to receiving the dividends prescribed in Subparagraph 2 of this Paragraph, preferred shareholders are not entitled to the distribution of cash or capital from earnings or reserves with regard to common shares.</u>**<br>**<u>5. Preferred shareholders shall take priority over common shareholders with respect to the distribution of the residual property of the Company and rank *pari passu* with shareholders of other kinds of preferred shares issued by the Company in terms of debt</u>** | | |

| Amended Articles | Current Articles | Description |
| --- | --- | --- |
| **<u>repayment. However, the distribution shall not exceed the issuance amount.</u>**<br>**<u>6. Preferred shareholders shall have no voting right or the right to vote in any election, but are entitled to be elected as directors. However, such shareholders have voting rights in preferred shareholders' meetings or in the shareholders' meetings that deal with matters that would affect any rights and obligations of preferred shareholders.</u>**<br>**<u>7. Preferred shares may not be converted to common shares, and preferred shareholders shall not have the right to request the Company to redeem preferred shares hold by them.</u>**<br>**<u>8. Preferred shares shall have no maturity, but the Company may redeem all or part of the issued preferred shares at any time on the next day after seven years of issuance with the original issuance price. Unredeemed preferred shares shall continue to enjoy rights and obligations of issuance terms prescribed in this Article. In the year of redeeming preferred shares, the dividends that shall be distributed until the redeem date shall be distributed according to the actual issuance days of that year, if the shareholders' meeting of the Company resolves to distribute dividends.</u>**<br>**<u>9. The dividends on the preferred shares shall be distributed in the order of the issuance of such shares.</u>**<br>**<u>The Board of Directors is authorized to determine the name, issuance date and specific issuance terms of the preferred shares upon actual issuance thereof</u>** | | |

| Amended Articles | Current Articles | Description |
|---|---|---|
| <u>**after considering the situation of capital market and the willingness of investors to subscribe for the same in accordance with these Articles of Incorporation and related laws and regulations.**</u> | | |
| Article 12<br>Shareholders' meetings of the Company shall be of two kinds: (1) annual general meetings, and (2) extraordinary general meetings. An annual general meeting shall be held by the Board of Directors within six months after the end of each fiscal year. An extraordinary general meeting shall be convened whenever necessary pursuant to law.<br><u>**A preferred shareholders' meeting may be convened in accordance with relevant laws and regulations when necessary**</u> | Article 12<br>Shareholders' meetings of the Company shall be of two kinds: (1) annual general meetings, and (2) extraordinary general meetings. An annual general meeting shall be held by the Board of Directors within six months after the end of each fiscal year. An extraordinary general meeting shall be convened whenever necessary pursuant to law. | The provision of convention of the preferred shareholders' meeting is added in accordance with Article 159 of the Company Act. |
| Article 34<br>In order to continue the Company's business expansion and to enhance its profitability in compliance with relevant laws and regulations, the Company has adopted a residual dividend policy. Conditions, timing and amount of dividend distributions: In case of any earnings in the final accounts in a fiscal year, the Company shall first pay all taxes, offset any losses in previous years and <u>**set aside**</u> any remaining earnings for the legal reserve as required by law, as well as set aside <u>**or reverse**</u> any remaining earnings for the special reserve pursuant to laws and regulations and based on the actual business needs<u>**; the dividends on the preferred shares may be distributed**</u>. In case of any residual earnings, the accumulative undistributed earnings in the previous year may be added to such earnings to arrive at a distributable amount for the shareholder dividends and bonuses. The Company may distribute 30% to 100% of such distributable amount after the distribution proposal drafted by the | Article 34<br>In order to continue the Company's business expansion and to enhance its profitability in compliance with relevant laws and regulations, the Company has adopted a residual dividend policy. Conditions, timing and amount of dividend distributions: In case of any earnings upon the final accounting in a fiscal year, the Company shall first pay all taxes, offset any losses in previous years and <u>**appropriate**</u> any remaining earnings for the legal reserve as required by law, as well as set aside any remaining earnings for the special reserve pursuant to laws and regulations and based on the actual business needs. In case of any residual earnings, the accumulative undistributed earnings in the previous year may be added to such earnings to arrive at a distributable amount for the shareholder dividends and bonuses. The Company may distribute 30% to 100% of such distributable amount after the distribution proposal drafted by the Board is submitted to the shareholders' meeting for approval. | 1. Certain language in Paragraph 1 is amended in response to the amendment to Article 5-1 hereof.<br>2. The provision of distribution of the dividends of the preferred shares is added in accordance with Article 235 of the Company Act. |

| Amended Articles | Current Articles | Description |
| --- | --- | --- |
| Board is submitted to the shareholders' meeting for approval.<br>The distribution of cash and stock dividends shall be made according to the Company's business plan; however, the cash dividends shall not be less than 10% of the total amount of distribution of the shareholder dividends and bonuses in the current year. The remaining thereof shall be the stock dividends. Unless otherwise resolved by the shareholders' meeting, no cash dividend less than 0.1 New Taiwan Dollar per share will be distributed. | The distribution of cash and stock dividends shall be made according to the Company's business plan; however, the cash dividends shall not be less than 10% of the total amount of distribution of the shareholder dividends and bonuses in the current year. The remaining thereof shall be the stock dividends. Unless otherwise resolved by the shareholders' meeting, no cash dividend less than 0.1 New Taiwan Dollar per share will be distributed. | |
| Article 37<br>These Articles was established on November 27, 2001.<br>First amendment to these Articles was made on June 11, 2004.<br>Second amendment to these Articles was made on June 9, 2006.<br>Third amendment to these Articles was made on June 15, 2007.<br>Fourth amendment to these Articles was made on June 23, 2010.<br>Fifth amendment to these Articles was made on June 24, 2011.<br>Sixth amendment to these Articles was made on June 22, 2012.<br>Seventh amendment to these Articles was made on June 20, 2014.<br>Eighth amendment to these Articles was made on June 24, 2016.<br>Ninth amendment to these Articles was made on June 21, 2019.<br>**Tenth amendment to these Articles was made on [-] [-], 2020.** | Article 37<br>These Articles was established on November 27, 2001.<br>First amendment to these Articles was made on June 11, 2004.<br>Second amendment to these Articles was made on June 9, 2006.<br>Third amendment to these Articles was made on June 15, 2007.<br>Fourth amendment to these Articles was made on June 23, 2010.<br>Fifth amendment to these Articles was made on June 24, 2011.<br>Sixth amendment to these Articles was made on June 22, 2012.<br>Seventh amendment to these Articles was made on June 20, 2014.<br>Eighth amendment to these Articles was made on June 24, 2016.<br>Ninth amendment to these Articles was made on June 21, 2019. | The date of this amendment is newly added. |

Attachment 6

# Rules for Election of Directors of First Financial Holding Co., Ltd. Comparison Table of the Amended Articles

| Amended Articles | Current Articles | Description |
|---|---|---|
| Article 4<br>The plural open cumulative ballot method will be used for election of the directors of the Company. Attendance card numbers or shareholder account numbers printed on the ballots may be used instead of recording the names of voting shareholders. Each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons**; in the case of voting for several persons, the number of such persons should not exceed the number of the directors to be elected.** | Article 4<br>The plural open cumulative ballot method will be used for election of the directors of the Company. Attendance card numbers printed on the ballots or shareholder account numbers may be used instead of recording the names of voting shareholders. Each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. | According to the interpretation letter issued by the Ministry of Economic Affairs on October 25, 2019 (Ref. No.: Jin-Shang-Zi-10800086000), it is specified that if the voting rights are divided to vote for several persons, the number of such persons should not exceed the number of the directors to be elected. |
| Article 6<br>The Board of Directors shall prepare ballots **in the number equivalent to that of the directors to be elected** bearing the attendance card numbers and the number of voting rights and distribute the ballots to shareholders who are present at the shareholders meeting or their proxies. | Article 6<br>The Board of Directors shall prepare ballots bearing the attendance card numbers and the number of voting rights and distribute the ballots to shareholders who are present at the shareholders meeting or their proxies. | According to Article 8 of the Sample Template for XXX Co., Ltd. Procedures for Election of Directors and Supervisors and the interpretation letter issued by the Ministry of Economic Affairs on October 25, 2019 (Ref. No.: Jin-Shang-Zi-10800086000), it is specified that the Board of Directors shall prepare ballots in the number equivalent to that of the directors to be elected. |
| Article 15<br>The Rules were adopted on May 16, 2004, with the first amendment adopted on June 15, 2007, the second amendment adopted on June 22, 2012, **and the third amendment adopted on [-], 2020.** | Article 15<br>The Rules were adopted on May 16, 2004, with the first amendment adopted on June 15, 2007, and the second amendment adopted on June 22, 2012. | The date of this amendment is newly added. |