

VI | **Capital Raising**

- 32 I. Capital and Shares
- 33 II. Financial Bonds
- 33 III. Preferred Shares
- 33 IV. Overseas Depositary Receipts
- 33 V. Employee Stock Option Certificates
- 33 VI. Mergers and Acquisitions of Other Financial Institutions
- 33 VII. Plans for Capital Investment and Utilization

I. Capital and Shares

(I) Source of Capital

Currency: NT\$

Month and Year	Issuance Price	Authorized Share Capital		Paid-up Capital	
		No. of Shares	Amount	No. of Shares	Amount
April 2020	10	10 billion	100 billion	7.3522 billion	73.522 billion (*)

* Total amount of NT\$ 73.522 billion after capital surplus of 1.146 billion transferred to capital on April 30, 2020, as approved by Ministry of Economic Affairs Shangzi Letter No. 10901079140 dated May 20, 2020.

(II) Share Capital Structure, Distribution of Shares Ownership, and a List of Major Shareholders:

At the end of 2020, our paid-up capital amounts to NT\$ 73.522 billion, and with a par value of NT\$10, totaling 7.3522 billion shares. The Company is 100% owned by the MOTC, and the shares are not available for the public.

(III) Market Price, Net Worth, Earnings, and Dividends per Share in the Past 2 Years:

Unit: NT\$

Item		2019	2020
Net Worth per Share	Before Distribution	27.44	30.04
	After Distribution	26.14	28.97
Weighted Average No. of Shares		7.2376 billion shares	7.3522 billion shares
Earnings per Share	Earnings before Adjustment	1.29	1.24
	Earnings after Adjustment ***	1.27	
Cash Dividends ***		1.04	1.08
Dividends per Share	Stock Grant	Stock Dividend from Retained Earnings	0.158
		Stock Dividend from Capital Reserve	—
	Accumulated Dividends	—	—

* CHP is 100% owned by MOTC, neither a public-listed nor an OCT company. Therefore, there is no market price information available.

** The 2020 earnings is based on the accountants' financial statements and is subject to review by the National Audit Office.

*** On April 30, 2020, the Company transferred capital surplus to capital, making a total paid-up capital of NT\$ 73.522 billion. Therefore, there are readjustments in 2019's Net Worth per Share, Earnings per Share, and Dividends per Share.

(IV) Policies and Implementation of Dividends

- In accordance with Article 18 of the company's Articles of Incorporation, after payment of taxes and before the distribution of surplus, the Company shall set aside 25% of the surplus as legal reserve and may also set aside a special reserve.
- In accordance with the "Guidelines for Profits from State-Owned Enterprises to be paid to the Treasury," any surplus after replenishment of loss of previous years and allocation for legal reserve shall be paid to the National Treasury. The amount to be paid should be specified in the annual financial statement, and the payment should be made within a month of the end of the fiscal year. In the event that there is a difference in amount as determined by the Directorate General of Budget, Accounting, and Statistics of the Executive Yuan and the National Audit Office of



the Control Yuan, the Company should make up the difference or proceed to refund within two weeks of the notice.

3. The following table summarizes the distribution of surplus cash in the past 5 years. Unit: NT\$ 1,000

Item		2016	2017	2018	2019	2020 (*)
Stock (State-owned) Dividends and Bonuses	Cash	7,032,645	6,795,801	8,383,857	7,618,406	7,911,027
	Stock Grant	2,168,000	2,603,000	294,000	1,146,000	5,256,000
Legal Reserve		2,451,650	2,658,242	4,549,948	3,064,317	4,161,032
Special Reserve		322,304	1,178,924	5,265,988	1,574,546	4,553,073
Replenishment of Loss			—		—	—
Surplus not Allocated		—	—	—	—	—

* The 2020 earnings is based on the accountants' financial statements and is subject to review by the National Audit Office.

(V) The effects of stock grant on the Company's performance and earnings per share as put on agenda at the last shareholders' meeting: None

(VI) Employees' bonuses, remunerations to directors and supervisors: None

(VII) Share repurchasing: None

II. Financial Bonds: None

III. Preferred Shares: None

IV. Overseas Depositary Receipts: None

V. Employee Stock Option Certificates: None

VI. Mergers and Acquisitions of Other Financial Institutions: None

VII. Plans for Capital Investment and Utilization: None