

# Corporate bond issuance

## Corporate bonds

As of February 24, 2020

| Issuance   |   | Fifth Unsecured Corporate Bond   | Third Domestic Unsecured Convertible Bond  |
|--|---|--|--|
| Issue date   |   | April 20, 2018   | November 22, 2016  |
| Denomination   |   | NT\$10,000,000   | NT\$100,000  |
| Issuance and listing                                     |   | Not applicable   | Not applicable   |
| Issue price  |   | 100% of par value  | 100% of par value  |
| Total amount   |   | NT\$15,000,000,000<br>Tranche A : NT\$6,000,000,000<br>Tranche B : NT\$9,000,000,000               | NT\$10,000,000,000   |
| Coupon   |   | Tranche A : 0.848% p.a.<br>Tranche B : 1.000% p.a.   | 0% p.a.  |
| Term   |   | Tranche A : 5 years, maturing on April 20, 2023<br>Tranche B : 7 years, maturing on April 20, 2025 | 5 years, maturing on Nov. 22, 2021   |
| Guarantor  |   | None   | None   |
| Trustee  |   | Bank of Taiwan   | Bank of Taiwan   |
| Underwriter  |   | Yuanta Securities Co., Ltd.  | Yuanta Securities Co., Ltd.  |
| Legal counsel  |   | Jim Chen, Attorney   | Tai Yuan Huang, Attorney   |
| Auditor  |   | Li-wen Kuo, CPA, and Kwan-chuang Lai, CPA, Deloitte & Touche                                       | Li-wen Kuo, CPA, and Kwan-chuang Lai, CPA, Deloitte & Touche   |
| Repayment  |   | Bullet repayment   | All bonds shall be redeemed in cash on the maturity date at par value unless otherwise converted in accordance with Clause 10 of the Procedures for Issuance and Conversion of TWM's 3rd domestic unsecured convertible bonds (the Procedures) by the holders of the bonds into common shares of the company, the put option being exercised in accordance with Clause 19 of the Procedures by the holders of the bonds, early redemption in accordance with Clause 18 of the Procedures by the company, or repurchased from securities firms and cancelled by the company prior to the maturity date. |
| Outstanding balance                                      |   | NT\$15,000,000,000   | NT\$928,300,000  |
| Early repayment clause                                   |   | None   | Please refer to the Procedures for Issuance and Conversion of TWM's 3rd domestic unsecured convertible bonds.  |
| Covenants  |   | None   | None   |
| Credit rating agency, rating date, company credit rating |   | None   | None   |
| Ancillary rights   | Amount converted/exchanged into common shares, ADRs or other securities | Not applicable   | NT\$9,071,700,000  |
|  | Rules governing issuance or conversion (exchanged or subscription)      | Not applicable   | Please refer to the Procedures for Issuance and Conversion of TWM's 3rd domestic unsecured convertible bonds.  |
| Dilution and other effects on shareholders' equity       |   | Not applicable   | Based on the conversion price of NT\$99.9, if all the bonds are converted into common shares, the maximum share dilution would be 2.78%.   |
| Custodian  |   | Not applicable   | Not applicable   |

## Convertible bond information:

| Corporate bond type                         |  | Third Domestic Unsecured Convertible Bond                                 |                |                                   |
|---|--|---|----------------|-----------------------------------|
| Item  | Year                                     | 2018  | 2019           | 2020<br>(As of February 24, 2020) |
|   | Market price of convertible bonds (NT\$) | Highest   | 105.00         | 116.65                            |
| Lowest                                      |  | 101.70  | 102.80         | 107.70                            |
| Average                                     |  | 103.55  | 109.69         | 109.12                            |
| Conversion price (NT\$)                     |  | 104.70  | 99.90 ~ 104.70 | 99.90                             |
| Issue date and conversion price at issuance |  | Issue date: November 22, 2016<br>Conversion price at issuance: NT\$116.10 |                |                                   |
| Conversion method                           |  | Issuance of new shares  |                |                                   |

**Exchangeable bonds:** None

**Shelf registration issuance:** None

**Bonds with warrant:** None

**Preferred shares:** None

**Depository receipt issuance:** None

**Employee stock options and new restricted employee shares:** None

**Shares issued for mergers and acquisitions:** None

**Use of proceeds from rights issue:** None