

December 10, 2009

Announcement of the settlement of the claim between Yuanta Securities (Hong Kong) Company Limited and its prospective employees

1. Parties to the legal matter, name of the court, disposing agency, and reference/case numbers of relevant documents: Yuanta Securities (Hong Kong) Company Limited, Mr. Aria Biglarzadeh, Mr. Raphael Blot, the Hong Kong High Court, HCA1623/2009, HCA1624/2009
2. Date of occurrence of the event: 2009/12/10
3. Background and circumstances of the matter (including the property/subject matter under dispute): Yuanta Securities (Hong Kong) Company Limited has terminated the employment agreements with its prospective employees, Mr. Aria Biglarzadeh and Mr. Raphael Blot on February 27, 2009 due to the adjustment of the business model. Mr. Aria Biglarzadeh and Mr. Raphael Blot filed the cases with the Labour Tribunal and the Presiding Officer in the Labour Tribunal decided to transfer the cases to the Hong Kong High Court subject to the parties' petition. The two cases have been filed with the Hong Kong High Court since July 23, 2009.
4. Course and progression of handling of the matter: Yuanta Securities (Hong Kong) Company Limited and Mr. Aria Biglarzadeh and Mr. Raphael Blot have committed a settlement.
5. Effect on company finances and business and estimated monetary amount of the effect: There is no material effect on company finances. The contents of the settlement agreement are confidential and shall not be disclosed to any third party for any purpose under the confidentiality provision of the settlement agreement.
6. Countermeasures and status of amelioration: None
7. Any other matters that need to be specified: None