

October 27, 2020

Yuanta FHC announces on behalf of Yuanta Securities Investment Consulting reduces leased space from Yuanta Securities.

1. Name and nature of the underlying asset (e.g., land located at Sublot XX, Lot XX, North District, Taichung City) :Lease address: Part of 10F., No. 65 and 10F., No. 71, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City.
2. Date of occurrence of the event: 2020/10/27
3. Transaction unit amount (e.g. XX square meters, equivalent to XX ping) , unit price, and total transaction price:
 - (1) Reduced Leased Space: 1.8 p'ing,
Unit Price: NTD1,960/p'ing/Month (tax-included)
Total reduction amount of Rents: NTD3,528/Month (tax-included)
 - (2) Total amount of Original Rent: NTD609,408 (tax-included)
 - (3) Total amount of Rent after reducing leased space: NTD605,880 (tax-included)
 - (4) The Value of Right-of-Use Assets after reducing leased space:
NTD34,521,065
4. Trading counterparty and its relationship with the Company (if the trading counterparty is a natural person and furthermore is not a related party of the Company, the name of the trading counterparty is not required to be disclosed) :The name of the trading counterparty, Yuanta Securities Co., Ltd. is a related party of the Company.
5. Where the trading counterparty is a related party, announcement shall also be made of the reason for choosing the related party as trading counterparty and the identity of the previous owner, its relationship with the Company and the trading counterparty, and the previous date and monetary amount of transfer:
Reason for choosing the related party: Reducing the original leased space.
Previous owner: N/A.
Previous date of acquisition: N/A.
Previous price of transfer: N/A.
6. Where an owner of the underlying assets within the past five years has been a related party of the Company, the announcement shall also include the date and price of acquisition and disposal by the related party, and its relationship with the Company at the time of the transaction: N/A

7. Projected gain (or loss) through disposal (not applicable for acquisition of assets; those with deferral should provide a table explaining recognition) :
N/A
8. Terms of delivery or payment (including payment period and monetary amount) , restrictive covenants in the contract, and other important terms and conditions:
 - (1) Payment Term and Amount:
Lease Period: 2020/09/01~2025/08/31 From 2020/09/01 to 2020/10/31:
NTD609,408 per month (tax-included) . From 2020/11/01 to 2025/08/31:
NTD605,880 per month (tax-included) .
Original Value of the Right-of-Use Asset: NTD34,694,902
Modified Value of the Right-of-Use Asset: NTD34,521,065
 - (2) Restrictive covenants: N/A
 - (3) Other important stipulations: N/A
9. The manner of deciding on this transaction (such as invitation to tender, price comparison, or price negotiation) , the reference basis for the decision on price, and the decision-making unit:
The reference basis for the decision on price: according to the lease agreement
The decision-making unit: the board of directors
10. Name of the professional appraisal firm or company and its appraisal price: N/A
11. Name of the professional appraiser: N/A
12. Practice certificate number of the professional appraiser: N/A
13. The appraisal report has a limited price, specific price, or special price:
N/A
14. An appraisal report has not yet been obtained: N/A
15. Reason for an appraisal report not being obtained: N/A
16. Reason for any significant discrepancy with the appraisal reports and opinion of the CPA: N/A
17. Name of the CPA firm: N/A
18. Name of the CPA: N/A
19. Practice certificate number of the CPA: N/A
20. Broker and broker's fee: N/A
21. Concrete purpose or use of the acquisition or disposal: Reducing the leased space according to actual business operation need.
22. Any dissenting opinions of directors to the present transaction: N/A

- 23. Whether the counterparty of the current transaction is a related party: Yes
- 24. Date of the board of directors resolution: 2020/10/27
- 25. Date of ratification by supervisors or approval by the audit committee:
2020/10/27
- 26. The transaction is to acquire a real property or right-of-use asset from a related party: Yes
- 27. The price assessed in accordance with the Article 16 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies:
N/A
- 28. Where the above assessed price is lower than the transaction price, the price assessed in accordance with the Article 17 of the same regulations:
N/A
- 29. Any other matters that need to be specified: N/A