

September 17, 2019

Yuanta FHC announces a supplement to the announcement dated on 2019/05/30 regarding a capital increase of Polaris Securities (HK) approved by YSAF

1. Name and nature of the subject matter (if preferred shares, the terms and conditions of issuance shall also be indicated, e.g. dividend yield) : Ordinary shares of Polaris Securities(HK)
2. Date of occurrence of the event: 2019/09/17
3. Volume, unit price, and total monetary amount of the transaction:
Volume: 277,476,180 shares
Unit price: HKD 1
Total monetary amount of the transaction: HKD 277,476,180
4. Counterparty to the trade and its relationship to the Company (if the trading counterpart is a natural person and furthermore is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed) : Polaris Securities(HK) ;Polaris Securities(HK) is 100% owned by YSAF
5. Where the counterpart to the trade is an actual related party, a public announcement shall also be made of the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart) , price of transfer, and date of acquisition: N/A
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the persons relationship to the company at those times: N/A
7. Matters related to the creditor's rights currently being disposed of (including types of collateral of the disposed creditor's rights; if the creditor's rights are creditor's rights toward a related person, the name of the related person and the book amount of the creditor's rights toward such related person currently being disposed of must also be announced) : N/A
8. Anticipated profit or loss from the disposal (not applicable in cases of acquisition of securities) (where originally deferred, the status or recognition shall be stated and explained) : N/A
9. Terms of delivery or payment (including payment period and monetary

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- amount) , restrictive covenants in the contract, and other important stipulations: 100% equity of Yuanta Asia Investment owned by YSAF will serve as consideration for the shares issued by Polaris Securities(HK)
10. The manner in which the current transaction was decided, the reference basis for the decision on price, and the decision-making department:
Approved by the board of YSAF
 11. Net worth per share of the underlying securities acquired or disposed of:
N/A
 12. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g.pledges) :
Cumulative volume: 287,386,180 shares
Cumulative amount: NTD 1,139,773,590
Shareholding percentage of holdings of the security being traded: 100%
 13. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operating capital as shown in the most recent financial statement:
Total assets: 7.84%
Shareholder's equity: 29.29%
Operating capital: NTD 37,592,825,740
 14. Broker and broker's fee: N/A
 15. Concrete purpose or use of the acquisition or disposal: Business development and operation plan of the group
 16. Do the directors have any objection to the present transaction?: N/A
 17. Is it a related party transaction?: Yes
 18. Date of the board of directors resolution: 2019/05/30
 19. Date of the recognition of the supervisors or the board of independent directors resolution: N/A
 20. Has the CPA issued an opinion on the unreasonableness of the price of the current transaction?: N/A
 21. Name of the CPA firm: UGUS Certified Public Accountants
 22. Name of the certifying CPA: Frank Wang
 23. The practice certificate number of the CPA: Taipei City Council Certificate No. 1845
 24. Any other matters that need to be specified:
(1) The relevant approval was obtained from the authority on 2019/09/03

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- (2) The date for capital increase is 2019/09/17
- (3) After the capital increase is completed Yuanta Asia Investment will become a 100% owned subsidiary of Polaris Securities (HK) .
- (4) The numbers disclosed in this announcement is based on the exchange rate of HKD/NTD=3.96600,USD/NTD=31.03500 and USD/HKD=7.82526