

Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.



Meeting Minutes of 2019 General Shareholders' Meeting

- Time and Date: 9:00 AM, June 18, 2019.
- Place: (Audio-Visual Classroom) B1, No. 8, Dongxing Rd., Taipei City, Taiwan ROC
- Total outstanding shares: **1,372,390,028** shares. Total shares represented by shareholders present in person or by proxy: 1,001,746,135 shares (of which, 742,173,508 shares voted via electronic transmission). Percentage of shares held by shareholders present in person or by proxy: **72.99%**.
- Chairman: Lin, KUAN-CHEN, the Chairman of the Board of Directors
- Directors present in person: LIN, KUAN-CHEN, TU, LI-YANG, LEE, SHU-FEN, LIU, TSUNG-YI, HSIEHHUNG, HUI-TZU, LU, LI-AN, DUH, BOR-TSANG, JUANG, JING-YAU, CHANG MING-CHEN.
- Independent directors present in person: LIANG, YANN-PING, HORNG, YUAN-CHUAN, PAI, CHUN-NAN.
- Recorder: CHANG, SHAO-PING

A. Chairman's Address (omitted)

B. Report Items

(1) 2018 Business Report

Explanation: The Company's Business Report for 2018, please see Appendix I.

(2) 2018 Audit Committee's Review Report

Explanation: For 2018 Audit Committee's Review Report, please see Appendix II.

(3) 2018 Remuneration of Employees and Directors

Explanation:

- 1) Comply with the Ordinance No. 10402413890 (June 11, 2015) and the Ordinance No. 10402427800 (October 15, 2015) issued by the Ministry of Economic Affairs.
- 2) In accordance with Article 23 of the Company's bylaws, the Company will distribute compensation to employees and the Directors from pre-tax profits. Where the company has pre-tax profits, the total value of funds to be distributed among employees shall not be less than 1.6% of pre-tax profits; while the total value of funds to be distributed among the Directors shall not be more than 2% of pre-tax profits. If the company has losses carried forward, compensation should only be paid to employees and Directors after funds have been set aside as reserve for such losses.
- 3) The proposal of 2018 Remuneration of Employees and Directors has been approved by the 3th meeting of the 4th Remuneration Committee and the 6th meeting of 11th Board of Directors. It is proposed that a total of NT\$28,867,634 (2%) to be distributed to employees and NT\$28,867,634 (2%) to be distributed to Directors in accordance with the allocation rules of the 1st meeting of the 10th Board of Directors and the 1st meeting of the 11th Board of Directors. The above mentioned compensation will be in cash.

(4) The Result of Treasury Share Repurchase Program

Explanation: The implementation of 12 th shares buyback is as follows:

- 1) The Reported information of Shares Buyback
 - (1) Purpose of the buyback: cancellation of shares
 - (2) Scheduled number of shares buyback: 30,000,000 shares
 - (3) Scheduled period for the buyback : 2019/01/02~2019/02/27
- 2) The Implementation of Shares Buyback
 - (1) Number of shares bought back: 18,038,000 shares
 - (2) Total monetary amount of shares repurchased : NT\$ 231,821,838
 - (3) Average repurchase price per share: NT\$12.85
- 3) Capital Reduction:
 - (1). In accordance with the article 28-2, paragraph 1, subparagraph 3 of the Securities and Exchange Act, amendment registration shall be effected within six months from the date of buyback.
 - (2). Details are as follows:
 - (A) Date and Ordinance No. of the Authority's approval: March 5, 2019 FSC Ordinance No. 1080305980
 - (B) Reduction record date resolved by: the 7th meeting of 11th Board of Directors
 - (C) Record date for capital reduction: May 9, 2019
 - (D) Amount of the capital reduction: NT\$ 180,380,000
 - (E) Paid in capital after the capital reduction: NT\$13,723,900,280

Chairman: All the above reports are subject to the satisfaction of the shareholders

C. Items to be Adopted

■ Motion 1 (proposed by the Board of Directors)

Topic: Adoption of the 2018 business report, consolidated financial statements and financial statements

Explanation:

- (1) The 2018 consolidated financial statements and the financial statements have already been successfully audited by CPA SK, Lin and CPA Chin-Mu, Hsiao of PricewaterhouseCoopers Taiwan.
- (2) The business report, the consolidated financial statements and the financial statements have been reviewed by the Audit Committee and approved by the Board of Directors (March 22, 2019)
- (3) For the business report, the consolidated financial statements and the financial statements, please see Appendix I and Appendix III.

Chairman:

As shares voted against the proposal via electronic transmission were received, the chairman announced to put the proposal to vote for resolution.

Voting Result: 1,001,746,135 shares were represented at the time of voting. 975,000,148 shares voted for the proposal (of which 721,205,092 shares exercised via electronic transmission); 391,869 shares voted against the proposal (of which 391,869 shares exercised via electronic transmission). 26,354,118 shares abstain from voting (of which 20,576,547 shares exercised via electronic transmission). 0 shares invalid from voting (of which 0 shares exercised via electronic transmission).

97.33% of the shares were cast in favor of this proposal, which was more than 50% of the shares represented at the time of voting.

RESOLVED, that the above proposal be and hereby were accepted as submitted.

■ **Motion 2 (proposed by the Board of Directors)**

Topic: Adoption of the Proposal for the 2018 earnings distribution

Explanation:

- (1) The proposal for distribution of 2018 earnings are prepared in accordance with regulations and the Company's Articles of Incorporation. Please refer to the 2018 Earnings Distribution Proposal as Appendix IV .
- (2) After first being increased by \$17,538,290 as the effect of adoption of IFRS 9 and \$23,270,549 as a result of actuarial gains on remeasurement of defined benefit plans, and then setting aside legal reserve(10%) , special reserve(20%), 0.5% as special reserve for employees' training in response to development in financial technology and reversing special reserve, in compliance with Jing-Guang-Zheng-Chuan Letter No.10500278285, and reversing special reserve in response of the debit balance of other equity items, unappropriated earnings available for distribution for 2018 is \$972,063,563. Proposed cash dividend is \$959,395,340, which is equivalent to \$0.69 per share. Upon the approval of Shareholders' Meeting, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date.
- (3) In the event that the shares outstanding changes, it is proposed that the Board of Directors be authorized to adjust the amount per share to be distributed to shareholders based on the number of actual shares outstanding on the record date for distribution. Dividends of less than \$1 shall be transferred to the Company's Employee Benefit Council.

Chairman:

As shares voted against the proposal via electronic transmission were received, the chairman announced to put the proposal to vote for resolution.

Voting Result: 1,001,746,135 shares were represented at the time of voting. 976,971,614 shares voted for the proposal (of which 723,116,558 shares exercised via electronic transmission); 451,225 shares voted against the proposal (of which 451,225 shares exercised via electronic transmission). 24,323,296 shares abstain from voting (of which 18,545,725 shares exercised via electronic transmission). 0 shares invalid from voting (of which 0 shares exercised via electronic transmission).

97.52% of the shares were cast in favor of this proposal, which was more than 50% of the shares represented at the time of voting.

RESOLVED, that the above proposal be and hereby were accepted as submitted.

D.Items for Discussion

■ **Motion 1 (Proposed by the Board of Directors)**

Topic: Amendment to the Articles of Incorporation. Please proceed to vote.

Explanation:

- (1) According to Company Act Article 392-1, a company may apply for registration of corporate name in a foreign language to the competent authority.
- (2) The major amendment is changing corporate name from PRESIDENT SECURITIES CORP. into PRESIDENT SECURITIES CORPORATION.
- (3) For chart comparing the changes, please see Appendix V .

Chairman:

As shares voted against the proposal via electronic transmission were received, the chairman announced to put the proposal to vote for resolution.

Voting Result: 1,001,746,135 shares were represented at the time of voting. 977,006,228 shares voted for the proposal (of which 723,211,172 shares exercised via electronic transmission); 394,877 shares voted against the proposal (of which 394,877 shares exercised via electronic transmission). 24,345,030 shares abstain from voting (of which 18,567,459 shares exercised via electronic transmission). 0 shares invalid from voting (of which 0 shares exercised via electronic transmission).

97.53% of the shares were cast in favor of this proposal, which was more than 50% of the shares represented at the time of voting.

RESOLVED, that the above proposal be and hereby were accepted as submitted.

■ **Motion 2 (Proposed by the Board of Directors)**

Topic: Amendment to the Company's Procedures for Acquisition or Disposal of Assets

Explanation:

- (1) In accordance with the order issued by FSC(order number Jin Guan Zheng Fa No. 1070341072)
- (2) In accordance with the order issued by FSC on Nov 26,2018, the Procedures for Acquisition or Disposal of Assets should be amended.
- (3) For the comparison table of amendments to " Procedures for Acquisition or Disposal of Assets", please see Appendix VI .

Chairman:

As shares voted against the proposal via electronic transmission were received, the chairman announced to put the proposal to vote for resolution.

Voting Result: 1,001,746,135 shares were represented at the time of voting. 977,013,695 shares voted for the proposal (of which 723,218,639 shares exercised via electronic transmission); 393,166 shares voted against the proposal (of which 393,166 shares exercised via electronic transmission). 24,339,274 shares abstain from voting (of which 18,561,703 shares exercised via electronic transmission). 0 shares invalid from voting (of which 0 shares exercised via electronic transmission).

97.53% of the shares were cast in favor of this proposal, which was more than 50% of the shares represented at the time of voting.

RESOLVED, that the above proposal be and hereby were accepted as submitted.

■ **Motion 3 (Proposed by the Board of Directors)**

Topic: Amendments to the "Operating Procedures for Endorsement and Guarantee".

Explanation:

- (1) For conforming the guidelines for the internal control system of securities firms and strengthening the supervision and management of subsidiary, the Operating Procedures for Endorsement and Guarantee should be amended.
- (2) For the comparison table of amendments to" Operating Procedures for Endorsement and Guarantee", please see Appendix VII .

Chairman:

As shares voted against the proposal via electronic transmission were received, the chairman announced to put the proposal to vote for resolution.

Voting Result: 1,001,746,135 shares were represented at the time of voting. 977,037,556 shares voted for the proposal (of which 723,242,500 shares exercised via electronic transmission); 393,166 shares voted against the proposal (of which 393,166 shares exercised via electronic transmission). 24,315,413 shares abstain from voting (of which 18,537,842 shares exercised via electronic transmission). 0 shares invalid from voting (of which 0 shares exercised via electronic transmission).

97.53% of the shares were cast in favor of this proposal, which was more than 50% of the shares represented at the time of voting.

RESOLVED, that the above proposal be and hereby were accepted as submitted.

E.Election item

Topic: The by-election for the vacant position of the 11th board of Directors

Explanation:

- (1) Director Kao, Xiu-Ling resigned from the 11th board of Directors on July 6, 2018, the vacant position is intended to be filled through the by-election at the 2019 Shareholders' Meeting.
- (2) The director's term shall be from June 18, 2019 (the date of the by-election) to June 20, 2021 (the expiration of the term of the 11th board of Directors). Directors shall be elected from among the nominees listed in the roster of candidates by adopting candidate nomination system.
- (3) The list of the director candidate, as reviewed and approved by the board, is as the attachment.
- (4) Election-related matters shall be handled in accordance with the Company's Rules Governing the Election of Directors (refer to Appendix VIII).
- (5) Please cast your vote.

Title	Shareholder's No.	Name	Education	Experience	Current Positions	Number of shares owned	Remarks
Director	42740	CHEN, YI-LING	● University of Dallas Master of Business Administration	● Financial Planning Division Manager of Uni-President Enterprises Corp.	● Financial Planning Division Manager of Uni-President Enterprises Corp.	● 39,831,460	● Representative of Kai Nan Investment Co., Ltd.

Directors Election Result

	SHAREHOLDER'S NUMBER	NAME	VOTES RECEIVED
DIRECTOR	42740	KAI NAN INVESTMENT CO.,LTD CHEN,YI-LING	817, 862, 550

F. Extraordinary Motions:None.

G. Meeting Adjourned