

## **Meeting minutes for 2022 Shareholders' Meeting of Horizon Securities Co., Ltd.**

Time: 9 a.m. on May 27, 2022(Friday)

Location: 7F., No. 236, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City, Taiwan

Mode of convention: Videoconferencing supported session (Shareholders' Meeting will convene in physical session and supported by videoconferencing)

Videoconference platform: "Electronic Balloting Platform for Shareholder Meeting – Videoconference Platform for Shareholder Meeting" – Taiwan Depository and Clearing Corporation

(Website: <https://www.stockvote.com.tw>)

Attendance: The total number of shares of shareholders and agents present was 202,233,869, representing 61.02% of the total number of shares outstanding, which is 331,369,430, by the Company.

Attending Directors: Director Jamie Lin, Director Chia-Hung Lee (Live Attendance), Director Jyun-De Li (Live Attendance), Independent Director Chen-Chi Hsiao (Live Attendance), Independent Director Yuh-Hen Chen (Live Attendance), Independent Director Che-Ying Liao (Live Attendance)

Present: Lawyer Wen-Tsing Hsieh, CPA James Huang, Vice General Manager of Finance Chilli Hsieh

Chairman: Ke-Chyn Jiang

Recorder: Rosemary Chiang

**I. Call the Meeting to Order:** The total number of shares represented by shareholders and shareholders' agents exceeds the legal number of shares and the Chairman announces the commencement of the meeting.

**II. Opening Remark by Chairman:**(omitted)

### **III. Reports:**

1. Please review the Company's 2021 Business Report. (Please refer to Attachment 1)
2. Please review the Audit Committee's review report on 2021 financial statements. (Please refer to Attachment 2)
3. Please review the report on distribution of 2021 remuneration to employees and Directors. (omitted)
4. Please review the Company's 2021 distribution of cash dividends. (omitted)

### **IV. Proposals**

Case I: Please ratify the Company's 2021 Business Report and Financial

Statements. (Proposed by the board of directors)

Description:

1. The Company's 2021 financial statements have been audited by James Huang and Bob Chang, CPAs at Ernst & Young Global Limited, and approved by the board of directors on March 3, 2022 and reviewed by the Audit Committee.
2. For the Business Report, Auditor's Report, and financial statements, please refer to Attachment 1 and Attachment 3.
3. Please proceed to ratify them.

Resolution: The case was voted on as originally.

The voting results are as follow:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights.

The result of the vote	% of voting rights of shareholders present
In favor: 197,622,473 rights	97.72%
Oppose: 107,135 rights	0.05%
Invalid: 0 right	0%
Abstaining/non-voting:4,504,261 rights	2.23%

Case II: Please ratify the Company's 2021 earnings allocation. (Proposed by the board of directors )

Description:

1. The Company's 2021 earnings allocation table was passed by the board of directors on April 14, 2022, and has been reviewed by the Audit Committee. Please refer to Attachment 4.
2. Please proceed to ratify it.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights.

The result of the vote	% of voting rights of shareholders present
In favor: 197,853,731 rights	97.83%
Oppose: 108,878 rights	0.05%
Invalid: 0 right	0%
Abstaining/non-voting:4,271,260 rights	2.12%

## V. Discussions:

Case I: Capitalization of retained earnings into new shares for discussion.  
(Proposed by the board of directors)

Description:

1. For pooling up the working capital, appropriation of shareholder dividend in 2021 amounting to NT\$198,821,650 worth of dividend to shareholders into 19,882,165 new shares at NT\$10/share. Shareholders on the Shareholders Registry as of the base day of capitalization are entitled to 60 new shares for every 1,000 shares of holding. Shareholders may request with the investor service agent for registration of combing the fractions of a share in the period of 5 days prior to the issuing day of new shares during which share transaction is prohibited. Fractions of shares not being combined or the combination falling below 1 share will be compensated in cash pursuant to Article 240 of the Company Act rounded to the nearest NT dollar. The Chairman will be authorized to contact the designated party for acquiring these fractions of shares.
2. In case of change in the equity of the Company that affect the outstanding quantity of shares and subsequent ratio of cash dividend payment, the Board will be authorized to handle the changes with full discretion under the Company Act or other applicable legal rules.
3. This motion will come into force after passing by the Shareholders' Meeting and reporting to the competent authority for reference filing. The Board will be authorized to set the base day of recapitalization through issuing new shares, the payout day, and related matters.
4. The rights and obligations inherent to this issue of new shares shall be identical with all other shares previously issued.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights

The result of the vote	% of voting rights of shareholders present
In favor: 197,820,231 rights	97.82%
Oppose: 127,034 rights	0.06%
Invalid weight: 0 right	0%
Abstaining/non-voting:4,286,604 rights	2.12%

Case II: Issuance of new common shares through private placement for raising capital for discussion. (Proposed by the board of directors)

Description:

1. The Company seeks to strengthen its financial structure to support the needs of business development in the future and availability of working capital, and considers the timeliness, cost of raising new capital, and the actual need of the strategic investors and thereby plans to raise no more than NT\$50 million in cash by offering new common shares through private placement. The offer will be made at one or two times at the right moment within 1 year after the resolution of the Shareholders' Meeting depending on the market environment and the need of the Company.
2. For additional information on the principal condition of private placement, the particulars to the elaborate pursuant to Article 43-6 of the Securities and Exchange Act, and the important notice under the "Directions for Public Company Conducting Private Placement of Securities," refer to Attachment 5.
3. The price of the new shares offered through private placement for raising capital shall not fall below 80% of the reference price. Other factors, including but not limiting to the actual quantity of shares offered, the actual price per share offered, the actual amount raised through private placement, the selection of prospective investors in private placement, the base day, condition of private placement, the use of capital and progress, expected result, and necessary revision due to the change in the regulatory environment, instruction from the competent authority, or the changes in

other objective environment, and others not being mentioned in this context, shall be handled by the Board under the authorization of the Shareholders' Meeting with full power of attorney.

4. Further to the aforementioned scope of authorization, the Shareholders' Meeting is asked to authorize the Chairman to act on behalf of and in the name of the Company in the signing negotiation, and altering the contracts and documents pertinent to the private placement of common shares, and proceed to the offering of common shares through private placements and related matters.

According to the request from the Securities and Futures Investors Protection Center's (SFIPC) letter Zheng-Bao-Fa-Zhi No.1110001465 dated May 5, 2022, the Company specifies "The Plan to Conduct Common Shares through Cash Capital Increase" as below:

- One. The necessity and rationality to raise funds through private placement.

Due to the expansion of the non-restricted purpose loan business and two newly open Taipei 101 Branch and NTC Branch, the subsequent business operation and expansion of the Company will generate capital demand. Moreover, the exercise of sell-back rights of the Company's CB issued in 2021 may take place since 2024. If the investors choose to sell back CB instead of converting to common shares, the Company needs to offer early repayment of the balance of CB. The Company needs to prepare the fund in advance for the operating time concern. Plus, the private placement intends to select strategic investors for priority. In addition to the fund raising, the synergy of cooperation is also the key consideration. In summary, the private placement of the common shares through cash capital increase is both necessary and reasonable.

- Two. The purposes to conduct private placement and the effects to managerial control.

Although the upper limit of the private placement quota is over 15.9% of the Company's paid-in capital, the Company hasn't decided the subscribers and the amounts. Besides, the strategic investors will be the preference, thus the managerial control shall not be affected. Therefore, the Company didn't ask for the evaluate opinion from security underwriter. In addition to fund raising, this private placement also produces strategic cooperation effects. It should be positive to the whole shareholders' rights.

The following conducting situation of this private placement will be revealed for investors on TWSE website.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights

The result of the vote	% of voting rights of shareholders present
In favor: 195,201,075 rights	96.52%
Oppose: 2,733,112 rights	1.35%
Invalid weight: 0 right	0%
Abstaining/non-voting:4,299,682 rights	2.13%

Case III: Please discuss the amendment to “Articles of Incorporation.” (Proposed by the board of directors)

Description:

1. Action taken pursuant to Article 172-2 of the Company Act after amendment, and in conformity to Ministry of Economic Affairs Letter Jing-Shang-Zi No. 10402427800 dated October 15, 2015.
2. For the comparison table of amended provisions, please refer to Attachment 6.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights

The result of the vote	% of voting rights of shareholders present
In favor: 197,800,061 rights	97.81%
Oppose: 136,638 rights	0.07%
Invalid weight: 0 right	0%
Abstaining/non-voting:4,297,170 rights	2.12%

Case IV: Please discuss the amendment to “Rules of Procedure for Shareholders’ meetings.” (Proposed by the board of directors)

Description:

1. Amendment is made According to the Taipei Exchange Letter Zheng-Gui-Jian No. 11100543772 dated March 11, 2022.
2. For the comparison table of amended provisions, please refer to Attachment 7.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights

The result of the vote	% of voting rights of shareholders present
In favor: 197,801,989 rights	97.81%
Oppose: 136,708 rights	0.07%
Invalid weight: 0 right	0%
Abstaining/non-voting:4,295,172 rights	2.12%

Case V: Please discuss the amendment to “Regulations Governing the Acquisition and Disposal of Assets.” (Proposed by the board of directors)

Description:

1. Action taken in conformity to Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi No. 1110380465 dated January 28, 2022.
2. For the comparison table of amended provisions, please refer to Attachment 8.

Resolution: The case was voted on as originally.

The voting results are as follows:

The total number of voting rights of shareholders present at the time of the voting: 202,233,869 rights

The result of the vote	% of voting rights of shareholders present
In favor: 197,820,626 rights	97.82%

Oppose: 118,091 rights	0.06%
Invalid weight: 0 right	0%
Abstaining/non-voting:4,295,152 rights	2.12%

**VI. Extemporary Motions: None.**

**VII. Adjournment: 9:40 a.m. on the same day.**

**Chairman: Ke-Chyn Jiang**

**Recorder:Rosemary Chiang**