

Bulletin

# Withdrawal Of Hotai Finance Co. Ltd.'s Listing Plan Has No Effect On Its Strong Capitalization

August 2, 2019

Taiwan Ratings Corp. said today that its ratings and outlook on **Hotai Finance Co. Ltd.** (twAA-/Stable/twA-1+) are not affected by Hotai Finance's announcement that it has withdrawn its application to be listed on the Taiwan stock exchange. On Aug. 1, 2019, Hotai Finance said that it will resubmit the application at a later date, particularly after completing a required procedure to appoint two new independent board members. Hotai Finance originally submitted its application on July 16, 2019. The decision to postpone the application process does not change our view of Hotai Finance's commitment to maintain its strong capitalization on a consolidated basis over the next one to two years. We expect the company to achieve this through a proactive capital policy as well as the good and stable profitability of its Taiwan financing business. We also expect Hotai Finance to remain the core entity of the Hotai Motor Corp. group and support the group's strategic growth map.

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