

E.SUN FINANCIAL HOLDING Co., LTD.
GENERAL SHAREHOLDERS MEETING 2023

Shareholders Meeting Agenda Handbook

Time : 09 : 00 AM, 9 June 2023(Friday)

Place : The Taipei Herohouse
No.20, Sec. 1, Changsha St., Taipei City, Taiwan

Means of Holding : visual communication assisted shareholders meeting
(physical shareholders meeting supported by video conferencing)
Virtual Meeting Platform : Adopt the Virtual Meeting Platform of Taiwan
Depository & Clearing Corporation (TDCC)
【<https://www.stockvote.com.tw>】

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I. Procedure of meeting

1. Meeting in session.
2. Address by Chairman.
3. Matters for report.
4. Matters for ratification.
5. Matters for discussion.
6. Election.
7. Other proposal.
8. Extempore motion.
9. Meeting adjourned.

II. Matters for report

1. Report on the state of business of the Company in fiscal year 2022 by the President.

2. Report on the inspection and auditing of the final account for fiscal year 2022 and communications with internal auditing officers by the Audit Committee.

Explanation:

(1) The Company's financial statements for 2022 were audited by the Audit Committee, and all the independent directors jointly issued an audit report thereof.

(2) The communication between the Audit Committee and the internal audit supervisor is as follows:

Date	Object	Issues to communicate	Result
January 12, 2022	General Auditor	Submission of the 2021 Q4 audit working papers.	1.Explain and exchange opinions on issues raised by independent directors. 2.Duly noted without further recommendations.
April 18, 2022	General Auditor	Submission of the 2022 Q1 audit working papers.	1.Explain on issues raised by independent directors. 2.Duly noted without further recommendations.
August 17, 2022	General Auditor	Submission of the 2022 Q2 audit working papers.	Duly noted without further recommendations.
November 09, 2022	General Auditor	Submission of the 2022 Q3 audit working papers.	Duly noted without further recommendations.
		Submission of the 2023 audit plan.	The plan was passed by a vote and no other recommendation.
November 09, 2022	General Auditor and other auditors	Discussions on internal/external audit related matters.	1.Explain and exchange opinions on issues raised by independent directors. 2. Proceed as recommended.

3. Report on the company's project for promoting sustainable development.

Explanation:

- (1) This report is made in accordance with the Sustainable Development Best Practice Principles, Article 5.
- (2) To fulfill its social responsibility as well as sustainable development, the Company, with a long-term commitment and systematic measures, endeavors to focus on 6 major tasks: corporate governance, sustainable finance, climate change, environmental sustainability, protection of human rights, and charities. A summary of the report is as follows:

2.1 Corporate Governance

2.1.1 Corporate Governance :

Based on the important measures stipulated in Financial Supervisory Commission's "Corporate Governance 3.0 -Sustainable Development Roadmap" and "Green Finance Action Plan 3.0," E. SUN will continue to review the implementation of each project managed by corporates and assist subsidiaries with their Board of Director's meetings and corporate governance.

2.1.2 Cyber Security :

Improved cyber resilience and introduced ISO 27701 and ISO 22301 international standards as benchmarks, and expanded the scope of the verification for personal data protection management systems. Improved the information security incident response system between the FHC and its subsidiaries, strengthened cloud cyber security risk management, and ensured continuity of operations.

2.1.3 Anti-Money Laundering :

Continued to improve AML/CFT mechanism, monitor international trends and new forms of transactions, and combined smart technology to improve the accuracy of risk identification and the efficiency of AML in Taiwan and overseas. In addition, risk awareness among all employees are enhanced through education and training and supervisor system.

2.1.4 Fair Customer Treatment and Customer Experience:

Continued to promote friendly service measures, provide appropriate financial services to disadvantaged consumers, and ensured implementation of on-site audits performed by undercover employees. Continued to improve E. SUN services and processes based on the customer experience and established a sound two-way communication mechanism.

2.2 Sustainable Finance

2.2.1 Responsible lending and responsible products :

In response to the National Development Council's 2050 Net Zero Strategy, E.SUN

actively engaged with customers and provided sustainability consulting services to assist corporates in achieving their carbon emissions reduction targets through net-zero transitions. E.SUN launched sustainable living, clean mobility, produced relevant green products sustainably, and encouraged small corporates and individuals to adapt to sustainable living.

2.2.2 Responsible Investment :

Fulfilled stewardship responsibilities for institutional investors, integrated ESG factors into the investment analysis and decision-making process, focused on sustainable investment and impact investing, extended positive financial influences, and built an investment portfolio that achieves a win-win situation for the environment, society, and corporate governance.

2.2.3 Inclusive Finance:

Utilized the power of technology to improve the customer experience, and combined promotion with the digital brand e.Fingo to provide customers with more convenient digital services. E.SUN actively supported small and micro enterprises and continued to collaborate with local governments and Taiwan Regional Revitalization Foundation to drive the upgrading and transformation of local specialty industries. E.SUN developed diverse trust services to assist in solving elderly care issues in an aging society.

2.3 Climate change

2.3.1 Climate Governance :

E.SUN actively practiced the Coalition of Movers and Shakers on Sustainable Finance and responded to the Green Finance Action Plan 3.0. It enhanced its climate change risk management mechanism, improved its ability to respond to climate-related opportunities and risks, and assisted financial industries in advancing toward net zero by 2050. By providing education and training, E.SUN increased professional knowledge on climate for all supervisors and employees, developed mitigation and adaptation measures, and promoted stable development of the business.

2.3.2.Actions to reduce carbon generated from investment and financing :

E.SUN followed ISO 14064 standards to report Scope 3 greenhouse gas emissions generated from investment and financing activities. It also complied with carbon reduction targets of SBT to adjust its investment and financing strategies. E.SUN assisted industries in advancing toward net-zero transition through sustainability consulting services and customer engagement. E.SUN will gradually reduce investment and financing positions related to coals and unconventional fossil fuels to achieve phase-out commitment by 2035.

2.4 Environmental Sustainability

2.4.1 Carbon reduction in the operating environment :

E.SUN followed the SBT and RE100 targets and implements energy conservation and carbon reduction measures of Scopes 1 and 2, which included replacing old and energy-consuming equipment, constructing green buildings, and installing electric vehicle charging stations. It also gradually achieved the goal of using 100% renewable energy at domestic and overseas locations by 2040 through the installation of solar power generation equipment, procurement of green energy certificates, and signing of renewable energy power purchase agreements. Introduced digital energy management systems to actively promote water conservation, energy conservation, and waste reduction.

2.4.2 Promoting biodiversity :

E.SUN closely follows issues of ecological conservation across the globe and in Taiwan. A systematic approach has been undertaken to improve biodiversity with joint efforts of the government, industry, and academia. The actions include Maravi organic rice cultivation, revitalizing small millets, rescuing injured sea turtles, holding environmental education lectures on polar bears, afforestation, and beach clean-up activities.

2.5 Protection of human rights

2.5.1 Employee Care and Friendly Workplace:

Built an equal, diverse, friendly, and safe workplace environment, created gender-neutral systems and measures, and valued and listened to the voices of employees through a variety of communication channels. In response to the post-pandemic era, E.SUN provides more comprehensive benefits planning and employee care measures that meet their needs, including flexible working shifts and improving overseas medical care insurance systems.

2.5.2 Talent Cultivation and Development:

Continued to enhance strategic talent development and employee sustainability transitions, combining offline and online hybrid learning to cultivate managerial talent with expertise in financial services, technology, and sustainable development and build a resilient team. Based on the performance of duties, E.SUN implemented differentiation in talent management through comprehensive evaluations and rotational programs for talent cultivation to promote sustainable development of the Company and employees.

2.6 Social Welfare & Charity

2.6.1 Education:

The E.SUN Golden Seed Project has established 8 E.SUN libraries, providing schools

with long-term resource maintenance, organizing reading activities, cultivating story reading volunteers, and holding digital thematic reading exploration fairs to improve students' reading literacy. Implemented "holding hands in English and companions for learning" in 30 elementary schools to improve the English proficiency of students in rural areas. Engaged in industry-academia collaboration with 46 universities to cultivate talent with an expertise in finance, AI, and FinTech, and provided the Outstanding Management Talent Scholarship, ASEAN Talent Scholarship, and Nursing Talent Scholarship to cultivate more outstanding young students.

2.6.2 Community :

Invested in anti-drug education and provided care for children and support disadvantaged youth and their families by implementing mobile anti-drug education tours and establishing counseling rooms for children. The Concern for Schoolchildren Program aimed to assist over 12,000 underprivileged students or students who encounter unforeseen events this year. Co-organized blood donations, free clinics internationally and in rural areas and other public welfare activities together with partners.

2.6.3 Sports :

Organized the E.SUN Cup International AAA Baseball Tournament for 17 consecutive years, and organized youth baseball training camps, protection camps, and subsidies for baseball teams in rural areas, in order to support the development of grassroots baseball in Taiwan. E.SUN co-organized the E.SUN Juguang Cup with the Volleyball Association to cultivate more outstanding players and supported the participation of Taiwan's national team in international tournaments, such as the U18~U20 World Cup, helping the sports in Taiwan gain international recognition.

2.6.4 Arts and Humanities :

E.SUN conveys truth, goodness, and beauty through music and art. The Company organizes E.SUN Awards, Music Concert for Mothers, Taiwan-Japan Friendship Concerts and supports the 12 Cellists of the Berlin Philharmonic, the Vienna Boys' Choir, and other international art groups performing in Taiwan. E.SUN collaborates with national performing arts venues to hold activities such as Let's Go to the Theater, Play ARTs workshop Theater to support quality arts and expose the wider community to cultural sophistication.

- (3) The foregoing programs may, if the circumstance required or if needed, be adjusted by the Chairman or its designated person on the basis of the environment or special needs.

4. The status of remuneration distribution to employees and directors.

Explanation:

- (1) This proposal is made in accordance with Article 36 of the Articles of Incorporation of the Company.
- (2) Prior to remuneration distribution to employees and directors, the Company's pretax profit for 2022 was NT\$15,655,209,217. After deducting the accumulated deficit to be offset set aside in advance of NT\$423,000,767, the net profit before tax after losses have been covered and before distribution is NT\$15,232,208,450. In accordance with the ratios in the Articles of Incorporation, employee compensation (2%~5%) was NT\$455,764,841 (including stock and cash compensation), and director compensation (not exceeding 0.9%) was NT\$65,000,000 in cash.
- (3) The remuneration distribution of employees is NT\$ 455,764,841. In accordance with Financial Supervisory Commission regulations Jin-Guan-Zheng-Shen-Zi No. 1050001900 of January 30, 2016, calculation of the foregoing number of allocated shares shall be made on the basis of the closing price NT\$25.40 per share on the day before the Board resolution. The number of shares allocated is 17,900,000 shares, the employee stock remuneration is NT\$454,660,000, and the employee cash remuneration is NT\$1,104,841.

5. Report on directors' and managers' remuneration policy.

Explanation:

- (1) The Company decides on director remuneration in accordance with its Articles of Incorporation and the E.SUN FHC Rules for Director Remuneration. All remuneration proposals are presented to the Remuneration Committee for review before board approval is sought.
- (2) Linking director remuneration to business performance in tandem with related policy, the Company takes an overall look at the total amount of such remuneration, way of payment, and future risks. The Company caps the growth rate in director remuneration for any given year at that recorded a year earlier in the event of a substantial net profit decline. To establish a mechanism for better linking director remuneration to personal performance and the Bank's future risks, specific ratios are set for a number of "personal performance" indicators that weigh on director remuneration. Also clearly spelled out is the provision that the Board of Directors may resolve to cut back or recover director remuneration if any director is determined to have been involved in a moral hazard event or otherwise undermined the Company's public image and reputation. On January 22, 2021, the Company decided that director remuneration shall be withheld if any director concurrently holds managerial positions at the Company and its subsidiaries; this was put into force from the distribution of director remuneration for 2020.
- (3) In accordance with the Company's Regulations for Remuneration of Managers, the performance review of senior managers and the policy, system, criteria, and structure with regard to their remuneration are subject first to deliberations of the Remuneration Committee and then to approval of the Board of Directors. To motivate managers to achieve and exceed corporate goals, create earnings, and advance business performance, the Company evaluates the remuneration of managers on a regular basis, during which the correlation with future risk is also considered. Such remuneration is granted with salary levels of the Company, industry peers, and the market at large also taken into account. Meanwhile, a reward deferral mechanism is implemented in accordance with the Company's Regulations for Long-Term Incentives so that the remuneration of managers can be linked to the Company's business performance more closely. On the other hand, bonuses for managers are bound to be adversely affected in the event of any major risk event that threatens to undermine corporate reputation, management deficiencies, abuses of various sorts, etc. Bonuses may be slashed or suspended. Meanwhile, the Company will conduct stress tests and scenario simulations to gauge risk that is likely to emerge in the future, based on which the Risk Management Committee will submit a risk exposure report to the Board of Directors every quarter.

(4) The Company's 2022 remuneration ranges for inside and independent directors are as follows:

Unit: NT\$

Bracket	Name of Directors			
	Total Remuneration of Directors		Total Remuneration of Directors Concurrently Serving as Employees	
	The Company	Companies in consolidated financial statements	The Company	Companies in consolidated financial statements
Under 1,000,000	Chairman of E.SUN Bank Joseph N. C. Huang, Magi Chen, Mao-Chin Chen	Magi Chen, Mao-Chin Chen	Mao-Chin Chen	
1,000,000 (inclusive)-2,000,000 (not inclusive)				
2,000,000 (inclusive)-3,500,000 (not inclusive)				
3,500,000 (inclusive)-5,000,000 (not inclusive)	Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu),	Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu),	Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu),	Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu),
5,000,000 (inclusive)-10,000,000 (not inclusive)	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao

Bracket	Name of Directors			
	Total Remuneration of Directors		Total Remuneration of Directors Concurrently Serving as Employees	
	The Company	Companies in consolidated financial statements	The Company	Companies in consolidated financial statements
10,000,000 (inclusive)-15,000,000 (not inclusive)			Chairman of E.SUN Bank Joseph N. C. Huang	
15,000,000 (inclusive)-30,000,000 (not inclusive)	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang)	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Chairman of E.SUN Bank Joseph N. C. Huang	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Magi Chen	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Magi Chen, Mao-Chin Chen
30,000,000 (inclusive)-50,000,000 (not inclusive)				Chairman of E.SUN Bank Joseph N. C. Huang,
50,000,000 (inclusive)-100,000,000 (not inclusive)				
Over 100,000,000				
Total	13	13	13	13

III. Matters for ratification

Proposal No. 1 as proposed by the Board of Directors:

Proposal: Recognition of the Company's business report and financial statements for fiscal year 2022.

Explanation:

1. This proposal is made pursuant to Article 230 of the Company Act and Article 35 of the Articles of Incorporation of the Company.
2. The financial statements of the Company produced on the year 2022 certified by Mr. Chen-Hsiu Yang and Mr. Kuan-Hao Lee, both of whom were CPA of Deloitte & Touche (Taiwan). A due diligence report with unqualified opinions was issued. The above financial statements and the 2022 business report have been reviewed by the Audit Committee and deemed to be in compliance, and a review report has been issued. (Please refer to Appendix 1 and 2 on p.26~p.41 of this Handbook.)

Resolution:

Proposal No. 2 as proposed by the Board of Directors:

Proposal: Proposal of net income distribution for fiscal year 2022.

Explanation:

1. The proposed is in accordance with Article 36-1 of the Articles of Incorporation of the Company.
2. For the year 2022, the Company has NT\$15,758,999,979 in after-tax net income that, minus NT\$430,959,974 for items other than the after-tax net profit for the current period, amounts to NT\$15,328,040,005. Minus an NT\$1,532,804,001 legal reserve deduction and an NT\$4,293,021,103 special reserve deduction from the year's "Other Equity Interest" pursuant to Article 41 of the Securities and Exchange Act and plus the undistributed earnings of NT\$7,959,207 at the beginning of the period, the Company has an amount of NT\$9,510,174,108 in earnings distributable for the year. It is planned to distribute earnings totaling NT\$8,565,020,000, where share dividends will be circa NT\$ 0.38 per share (totaling NT\$5,710,000,000) while cash dividends will be circa NT\$0.19 per share (totaling NT\$2,855,020,000). The balance of NT\$945,154,108 is retained as non-distributed earnings as of the end of the period.
3. A total of 571,000,000 common shares shall be issued to accommodate distribution of the said share dividend. Shareholders recorded in the shareholders' register as of the record date shall be entitled to 38 shares for every 1,000 held. Fractional shares may be paired with one another, held by other shareholders, into a whole share within the specified time period. For shares remained factional with or without being paired, upon expiration of the said period, cash will nevertheless be paid according to their par value (and rounded to the nearest full Taiwan Dollar) and the Chairman is authorized to look for specified persons to buy the fraction of shares according to the face value.
4. The cash dividend being distributed shall be rounded off proportionately to the nearest Taiwan dollar; where there is any cash dividends less than TWD 1, its calculation shall be adjusted in line with a progressive decrease in decimal numbers and a progressive increase in shareholder numbers so that the total of dividend distribution is fully accounted for.
5. It is proposed that the Chairman of the Company would be fully authorized to deal with matters in connection with the change (if any) to the stock (cash) dividend ratio distributable to shareholders as a result of a change in the total outstanding shares of the Company arising from any reasons.

6. Subject to approval of the shareholders' meeting, the Board of Directors and /or the chairman of the Company is authorized to determine the cash dividend record date. Upon approval of the competent authority, the Board of Directors and /or the Chairman of the Company is authorized to determine the stock dividend record date.

Resolution:

E.SUN FINANCIAL HOLDING CO., LTD.**PROPOSED DISTRIBUTION OF EARNINGS**

As of 31 December 2022

Unit: NT\$

Balance of beginning undistributed earnings		7,959,207
After-tax net profit of this period	15,758,999,979	
Retained earnings from confirmed benefit plan re-assessment number	3,517,689	
Retained earnings from the adjusted investments due to employing the equity method	(434,477,663)	
The total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period		15,328,040,005
Ten percent (10%) to be recorded as legal reserve		(1,532,804,001)
Allocation for special reserve		(4,293,021,103)
Distributable earnings for the period		9,510,174,108
Distribution items:		
Stock dividend (circa NT\$0.38 per share)	(5,710,000,000)	
Cash dividend (NT\$0.19 per share)	(2,855,020,000)	
Total shareholders' bonuses		(8,565,020,000)
Profit undistributed as of the end of the period		945,154,108

Note: Dividend distribution shall be based on after-tax earnings for the year as a first priority.

IV. Matters for discussion

Proposal No. 1 as proposed by the Board of Directors:

Proposal: For the purpose of increasing the BIS ratio of the Company in consideration of the Company's long-term development and operation, it is proposed to implement a capital increase by recapitalization of both earnings and employee compensation.

Explanation:

1. Amount of the capital increase and number of shares:

The Company currently has NT\$150,751,000,000 in paid-in capital from a total of 15,075,100,000 issued shares. It is proposed that 571,000,000 new shares be issued on the amount of NT\$5,710,000,000 which is the profit distributable to shareholders as dividend; while employee compensation of NT\$455,764,841 included cash and stock remuneration, where, in accordance with Financial Supervisory Commission regulations Jin-Guan-Zheng-Shen-Zi No. 1050001900 of January 30, 2016, calculation of the foregoing stock compensation shall be made on the basis of the closing price NT\$25.40 per share one day prior to the day on when the Board resolution is made. A total of 17,900,000 new shares were issued. The foregoing recapitalized earnings totaled NT\$5,889,000,000 and 588,900,000 shares with a face value of NT\$10 per share were issued. After recapitalization, the Company's paid-in capital increased to NT\$156,640,000,000, and 15,664,000,000 shares were issued.

2. Source of the fund proposed to be capitalized:

Shareholder stock bonuses and employee stock bonuses from fiscal year 2022 will be recapitalized.

3. Purpose of the fund from the capital increase:

The increased capital fund will be used to increase the BIS ratio of the Company in consideration of the Company's long-term development and operation and strengthened competitiveness of the Company.

4. Issuance of new shares:

It is proposed that the new shares be issued in full with a par value of TWD 10 per share. Holders of the new shares shall hold the same rights and bear the same obligations as the holders of the original issued shares.

5. 571,000,000 shares of the new shares to be issued on the capital increase proposed shall be distributed, with no consideration paid, to the shareholders as registered in the shareholder's roster at the rate circa 38 new shares on each 1,000 shares held in proportion to their shareholding. Fractions of a share may be combined for full shares with the fractions of shares held by other shareholders within the specified time period. Upon expiration of the specified time period or fractions of a share still remain, cash will be paid according to the par value (and rounded to the nearest full Taiwan Dollar) and the chairman of the Company would be authorized to look for specified persons to buy the fraction of shares according to the par value.
6. Stock Dividend Record Date:

After the proposal is adopted after deliberations and regulatory approval is granted, the Board of Directors and/or Chairman shall be authorized to decide on making it public.
7. As of now, the outstanding shares of the Company amount to 15,664,000,000 in total. It is proposed that the chairman of the Company would be authorized with full powers to deal with matters in connection with the change (if any) to the stock (cash) dividend ratio distributable to shareholders as a result of a change in the total outstanding shares of the Company arising from any reasons.

Resolution:

V. Election

Proposed by Board of Directors

Proposal: That the 12 members of the 8th Board of Directors of Company be elected by this shareholders meeting each to serve the office term of three years from 9 June 2023, the date of convention of this shareholders meeting.

Explanation:

1. The election is proposed under Articles 19 and 19-1 of the Articles of Incorporation of the Company.
2. The Company will have 9~13 directors. Each director will serve an office term of three years and may be re-elected. It is planned to reelect 12 directors, including 5 independent directors, for the 8th term Board of Directors.
3. The shareholders meeting this year (2023) will elect the members of the 8th Board of Directors of the Company with the director elects each to serve the office term from 9 June 2023 (election day) through 8 June 2026. However, the actual office term will expire until the election of the members of the 9th Board of Directors.
4. The director(s) of the Company shall be elected in accordance with the Rules Governing the Election of Directors of Company under the relevant laws and regulations.

Director elects:

Announcement by Chairperson:

Candidates of Independent Director and Director of E.SUN Financial Holding Co., Ltd.

No.	Title	Name	Gender	Education	Professional experience	The Company's Shares Holding (Notes) (Unit: shares)
1	Director	Representative of E.SUN Foundation Joseph N.C. Huang	Male	MBA of the City University of New York	Current: Chairman of E.SUN Bank. Experience: President of E.SUN FHC and E.SUN Bank, Chairman of E.SUN Bank(China)	22,995,611
2	Director	Representative of Hsin Tung Yang Co., Ltd. Jackson Mai	Male	Kai-Nan Commercial & Technical High School	Current: Chairman of Hsin Tung Yang Co., Ltd., Director of E.SUN FHC, Managing Director of E.SUN Bank Experience: Chairman of Sheng Yang Construction Co., Ltd.	78,852,636
3	Director	Representative of Fu-Yuan Investment Co.,Ltd. Wei-han Chen	Male	Department of Wealth Management and department of Sport Management, Southern Methodist University	Current: Chairman of Nien Hsing Textile Co., Ltd. Experience: Special Assistant of President of Nien Hsing Textile Co., Ltd.	57,568,299
4	Director	Representative of Shang Li Car Co.,Ltd. Chien-Li Wu	Male	Chung Jung High School	Current: Chairman of Shang Li Car Co., Ltd., Director of E.SUN FHC and E.SUN Bank Experience: Chairman of Shen Li Investment Co., Ltd.	65,107,000
5	Director	Magi Chen	Female	MBA, University of Tennessee, Knoxville,	Current: President of E.SUN FHC Experience: Director and CFO of E.SUN FHC and E.SUN Bank	2,792,906
6	Director	Mao-Chin Chen	Male	Master of Economics at National Taiwan University	Current: President of E.SUN Bank Experience: Director and CSO of E.SUN FHC and E.SUN Bank	2,214,772
7	Director	Lung-Cheng Lin	Male	Department of Public Administration, National Chung Hsing University	Current: Corporate Banking CEO of E.SUN Bank, Chairman of E.SUN Venture Capital Experience: SEVP of E.SUN FHC and E.SUN Bank	884,116

No.	Title	Name	Gender	Education	Professional experience	Number of Other public companies in which the individual is concurrently serving a an Independent Director	The Company's Shares Holding (Notes) (Unit: shares)
8	Independent director	Ryh-Yan Chang	Male	Master of Finance, EMBA, National Taiwan University Bachelor of Accounting, National Taipei University	Current: Chairman of Diligence Financial Consultant Co., Ltd., Independent Direct of E.SUN FHC Experience: Managing CPA, Director and CEO of Deloitte & Touche, Taiwan	3	0
9	Independent director	Chun-Yao Huang	Male	PhD of Marketing at London Business School	Current: Professor of Business Administration at National Taiwan University, Independent director of E.SUN FHC Experience: Dean, College of Business Administration at National Taiwan University	1	0
10	Independent director	Ying-Hsin Tsai	Female	LLM and Ph.D. in Law, University of Tokyo LLB and LLM, National Taiwan University	Current: Professor of Law, National Taiwan University, Independent Direct of E.SUN FHC Experience: Practicing Lawyer, Formosa Transnational Attorneys at Law	0	0
11	Independent director	Hung-Chang Chiu	Male	PhD of Business and Administration, National Taiwan University Bachelor and Master of Industrial Engineering, National Tsing Hua University	Current: Professor, Institute of Technology Management, National Tsing Hua University, Independent Direct of E.SUN FHC Experience: Associate Dean and EMBA director, National Tsing Hua University Director, Career Development Center of College of Technology Management, National Tsing Hua University	0	0

No.	Title	Name	Gender	Education	Professional experience	Number of Other public companies in which the individual is concurrently serving as an Independent Director	The Company's Shares Holding (Notes) (Unit: shares)
12	Independent director	Ruey-Lin Hsiao	Male	<p>Ph.D. of Industrial and Business Studies, Department of Information Systems & Management, Warwick Business School, University of Warwick</p> <p>Master of Science, Engineering Business Management, Warwick Manufacturing Group, University of Warwick</p> <p>M.Phil, Information Systems School of Management, Cranfield University</p>	<p>Current: Professor of Graduate Inst. of Technology Innovation & Intellectual Property Management, National Cheng-Chi University, Independent Direct of E.SUN FHC</p> <p>Experience: Director of Graduate Inst. of Technology Innovation & Intellectual Property Management, National Cheng-Chi University</p> <p>Professor, NUS Business School, National University of Singapore</p> <p>Adjunct Professor of Asia Pacific EMBA Program, NUS Business School, National University of Singapore</p>	0	0

Notes : The shareholdings for above board candidates are calculated based on the book closure date (2023/4/11)

VI. Other proposals

Proposal No. 1 as proposed by the Board of Directors:

Proposal: Permission regarding the engagement in competitive conduct of the directors for the company.

Explanation:

1. According to Article 209, Paragraph 1 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
2. If any of the candidates in the 8th election of independent directors occupies an office in another company or engage in activities in a scope of business identical or similar to that of the company (as shown in the table below), the company will follow Article 209, Paragraph 1 of the Company Act and submit the nomination to the shareholders meeting for approval. If such a candidate wins the election, the restriction on involvement in competing businesses will be removed for this independent director.

Independent director	Part-time company	positions	important content of competition
Ryh-Yan Chang	Diligence Financial Consultant Co., Ltd.	Chairman	Venture capital, etc.

Resolution:

VII. Extempore motion

(The Handbook is available in Chinese and in English. If there is any discrepancy between Chinese and English version, the Chinese version shall govern.)

VIII. Appendices

1. Business report
2. Financial Statements of fiscal 2022
3. The Rules for Procedure of Shareholders' Meeting
4. The Rules for Election of Directors
5. Articles of Incorporation.
6. Shareholdings of members of the 7th Board of Directors

<Appendix 1>

Business Report

Dear Shareholders :

2022 was a turbulent year. Although the world is gradually coming out from the shadow of the pandemic, variables such as the war in Ukraine and Russia, rising global inflation, and international political and economic competition still pose a high degree of uncertainty for the global economic outlook. Central banks around the world have accelerated raising their interest rate to fight inflation, weak end demand has created pressure on the inventories, and corporate investment has also become cautious and conservative. Taiwan's export growth momentum has clearly weakened in the second half of 2022, which slowed down the overall economic growth momentum for the year. Looking towards 2023, there are still many challenges for domestic and international economic development.

Facing global issues such as climate change, geopolitical conflicts, and the post-pandemic era, it challenges the wisdom of both the countries' and corporates' management. This is a crisis but also a greater turning point. We believe that having a clear vision and stable long-term core values, together with precision strategies and effective execution, are the key abilities for enterprises to demonstrate resilience, overcome challenges, and advance toward the future.

E.SUN chose a different path in 1992, with the vision of becoming a first-class citizen and making eternal commitments to this land. It has become the most respected enterprise with the best overall performance and is dedicated to incorporating ESG and technology into its financial services. E.SUN joined forces with like-minded partners to advance toward a new era of net zero and digital transformation and to work together toward a sustainable society and environment.

Propelling stably forward in times of changes, growing sturdily through challenges.

E.SUN has continued to strengthen its capabilities for the past 30 years, focusing on its core business operations, and demonstrating robust performance overall. Affected by the violent fluctuations in the overall financial environment in 2022, the banks' valuation of financial asset were impacted in the short term. However, this will contribute to the sound development of the banks' deposit and loan business in the medium and long term.

Regarding financial indicators, E.SUN FHC reported net earnings amount of NT\$54.806 billion, with an after-tax earnings amount of NT\$15.759 billion and EPS at NT\$1.10, ROA at 0.47%, ROE at 8.06%, and capital adequacy ratio at 127.54%. The after tax earnings of subsidiaries E.SUN Bank, E.SUN Securities, and E.SUN Venture Capital was NT\$14.809 billion, NT\$1.004 billion and NT\$82 million respectively.

In terms of business indicators, E.SUN FHC's total assets rapidly grew at a compound annual growth rate of 10% over the past decade to NT\$3.4796 trillion. As of the end of 2022, total deposits amounted to NT\$2.9009 trillion, with a growth of 7.71%. Due to the cross-border platform and digital banking, foreign currency deposits are equivalent to NT\$1.1300 trillion, with a growth of 12.65%. Total loans grew 9.42% to NT\$1.9573 trillion, and asset quality remains at a sound level with an NPL ratio of 0.16% and an NPL coverage ratio of 752.56%. However, due to the impact of the market headwinds, the net service fee income was NT\$19.28 billion, a decrease of 9.59%.

International Rating: E.SUN FHC was selected as a constituent stock of the Dow Jones Sustainability Index (DJSI) for 9 consecutive years and ranked in the top 1% for the banking sector around the world. E.SUN was also rated as AAA level, the highest level, by MSCI ESG. Both achievements set the best record in Taiwan's banking industry. In addition, E.SUN has won the "Best Bank in Taiwan" award from four international financial media with authorities, including The Asset, Asiamoney, Finance Asia, and Forbes, demonstrating that E.SUN's sustainability practices and overall performances have been highly recognized and praised internationally.

Advancing toward sustainable management is turning corporate's businesses into enduring great companies

Just as the modern management guru Jim Collins said: "Great companies do not believe in 'greatness'. They only believe in continuous improvement and change" While upholding their core values and beliefs, corporates must constantly innovate and pursue progress to stand the test of time and strive toward build to last to build a century-old legacy. Looking towards the fourth decade, E.SUN will put risk management as its foundation and cultivate the overseas market, FinTech innovation, and ESG sustainable development.

Regarding overseas expansion, E.SUN successively established two representative offices in Bangkok, Thailand, and Ho Chi Minh City, Vietnam, and received approval from the Financial Supervisory Commission to establish a branch in Fukuoka, Japan in 2022. E.SUN has currently established 30 business locations in 10 countries and regions overseas; they collectively account for 30% of after tax earnings, making E.SUN's expansion in Asia more complete. In the future, E.SUN will continue to integrate financial platforms in Taiwan and overseas, link up locations in the Asia Pacific, Greater China, and ASEAN countries to give domestic and overseas Taiwanese businesses more comprehensive banking services. Its goal is to become the best dependable partner for customers to expand their business in the Asia-Pacific region.

In terms of FinTech, as technology continues to evolve rapidly and financial services become more diverse, E.SUN has assembled a technology team with nearly 1,300 talents with expertise in technology to coordinate the overall digital development, smart applications, IT development, and information security management. Using technology as an accelerator, E.SUN actively promotes digital transformation by creating an agile information structure to improve digital resilience and the flexibility to adapt. It also continues to expand its use

of AI applications to enhance service quality, efficiency, and customer experience, and create a digital financial ecosystem so that financial services can be like water and electricity, integrating into customers' daily lives.

In terms of ESG and sustainable development, in early 2022, E.SUN became the first financial institution in Taiwan to pass the review of the SBTi. It actively follows the SBTi guidelines and sets its own carbon reduction, and investment and financing transformation strategies. E.SUN pledged to completely phase out coals by 2035 and use 100% renewable energy at domestic and overseas locations by 2040. E.SUN has already called on 133 influential leading corporates to support and work towards the goal of net zero by 2050 together through “E.SUN ESG and sustainability initiative”. To continue to align with international standards and promote sustainable development, E.SUN not only joined initiatives such as RE100 and TNFD (Task Force on Nature-related Financial Disclosures), but it has also personally participated in the United Nations Climate Change Conference (COP27) and the World Climate Summit (WCS) held in Egypt. E.SUN has delivered a speech on “Taiwan's New Climate Finance,” not only allowing Taiwan’s voice be heard by the world but also hoping to expand positive financial influences and get more people to pay attention to and be aware of climate change issues.

Give Asia a better E.SUN and the world a better Taiwan.

Since its establishment, E.SUN upholds the core values of honesty, integrity, professional, and responsible. It strives to climb the mountains of “overall performance, corporate social responsibility, and sustainable development, hoping to become its employees’, customers’ and this land’s favorite. Amidst the rapidly changing world, only by having insight into future trends, actively embracing innovation and change, can one seize critical opportunities and create astonishing moments.

We fully understand that sustainable development is an important issue for a lifetime for corporates. E.SUN members have high hopes and exceptions for giving Asia a better E.SUN and the world a better Taiwan. It's a long road ahead with heavy responsibilities, and we are grateful for the long-term support, expectations, and encouragement from all walks of life. We will continue to work hard for our customers, society, and a better sustainable future with hope and firm beliefs and offer our deepest gratitude and best wishes.

Chairman



President



<Appendix 2>

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022		2021	
	Amount	%	Amount	%
ASSETS				
CASH AND CASH EQUIVALENTS (Notes 4 and 6)	\$ 76,217,644	2	\$ 85,237,301	3
DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS (Notes 4, 7 and 41)	152,916,314	4	125,370,528	4
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 4, 8 and 41)	360,749,273	10	411,389,536	13
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Notes 4, 9, 41 and 44)	347,716,866	10	333,399,699	10
INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST (Notes 4, 10, 41 and 44)	401,405,743	12	308,219,235	10
SECURITIES PURCHASED UNDER RESELL AGREEMENTS (Notes 4 and 11)	7,881,831	-	-	-
RECEIVABLES, NET (Notes 4, 12 and 40)	125,988,674	4	124,412,124	4
CURRENT TAX ASSETS (Notes 4 and 37)	15,510	-	80,677	-
DISCOUNTS AND LOANS, NET (Notes 4, 13, 40 and 41)	1,934,791,917	56	1,768,641,241	55
OTHER FINANCIAL ASSETS, NET (Notes 4 and 15)	4,920,274	-	9,090,476	-
INVESTMENT PROPERTIES, NET (Notes 4 and 16)	1,830,028	-	1,855,043	-
PROPERTIES AND EQUIPMENT, NET (Notes 4 and 17)	34,708,732	1	33,881,468	1
RIGHT-OF-USE ASSETS, NET (Notes 4 and 18)	7,143,707	-	6,933,260	-
INTANGIBLE ASSETS, NET (Notes 4 and 19)	6,109,490	-	6,176,279	-
DEFERRED TAX ASSETS (Notes 4 and 37)	3,418,268	-	2,329,213	-
OTHER ASSETS, NET (Notes 4, 18, 20 and 30)	13,746,203	1	13,892,197	-
TOTAL	\$ 3,479,560,474	100	\$ 3,230,908,277	100
LIABILITIES AND EQUITY				
DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS (Note 21)	\$ 72,514,434	2	\$ 83,481,158	3
DUE TO THE CENTRAL BANK AND OTHER BANKS (Note 22)	-	-	14,021,010	1
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 4, 8 and 27)	89,569,651	3	61,199,462	2
SECURITIES SOLD UNDER REPURCHASE AGREEMENTS (Notes 4, 9, 10 and 23)	18,495,295	1	16,648,639	1
COMMERCIAL PAPER ISSUED, NET (Note 24)	1,739,403	-	4,788,871	-
PAYABLES (Notes 25 and 40)	37,486,918	1	32,756,248	1
CURRENT TAX LIABILITIES (Notes 4 and 37)	1,895,233	-	2,122,898	-
DEPOSITS AND REMITTANCES (Notes 26 and 40)	2,902,599,406	83	2,695,062,791	83
BOND PAYABLES (Note 27)	43,850,000	1	41,370,000	1
OTHER BORROWINGS (Note 28)	3,500,491	-	958,817	-
PROVISIONS (Notes 4, 29 and 30)	1,114,461	-	1,089,345	-
OTHER FINANCIAL LIABILITIES (Notes 16 and 31)	99,337,181	3	66,130,391	2
LEASE LIABILITIES (Notes 4 and 18)	4,303,812	-	3,998,061	-
DEFERRED TAX LIABILITIES (Notes 4 and 37)	1,895,421	-	1,348,359	-
OTHER LIABILITIES (Note 32)	4,167,814	-	11,547,585	-
Total liabilities	3,282,469,520	94	3,036,523,635	94
EQUITY ATTRIBUTABLE TO OWNERS OF ESFHC				
Capital stock				
Common stock	142,751,000	4	133,546,000	4
Capital surplus				
Additional paid-in capital from share issuance in excess of par value	22,687,680	1	22,279,730	1
From treasury stock transactions	3,382,484	-	3,382,484	-
Total capital surplus	26,070,164	1	25,662,214	1
Retained earnings				
Legal reserve	16,897,898	1	14,784,546	-
Special reserve	1,238,321	-	164,235	-
Unappropriated earnings	15,336,000	-	21,142,980	1
Total retained earnings	33,472,219	1	36,091,761	1
Other equity	(5,367,107)	-	(1,074,086)	-
Total equity attributable to owners of ESFHC	196,926,276	6	194,225,889	6
NON-CONTROLLING INTERESTS	164,678	-	158,753	-
Total equity	197,090,954	6	194,384,642	6
TOTAL	\$ 3,479,560,474	100	\$ 3,230,908,277	100

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
INTEREST REVENUE (Notes 4, 33 and 40)	\$ 53,853,990	98	\$ 35,482,114	61	52
INTEREST EXPENSE (Notes 4, 33 and 40)	<u>(24,235,627)</u>	<u>(44)</u>	<u>(9,497,790)</u>	<u>(16)</u>	155
NET INTEREST	<u>29,618,363</u>	<u>54</u>	<u>25,984,324</u>	<u>45</u>	14
NET REVENUES AND GAINS OTHER THAN INTEREST					
Service fee and commission income, net (Notes 4, 34 and 40)	19,279,510	35	21,323,578	37	(10)
Gains on financial assets and liabilities at fair value through profit or loss (Notes 4, 8 and 35)	3,355,794	6	7,921,241	14	(58)
Realized gains on financial assets at fair value through other comprehensive income (Notes 4 and 9)	1,484,231	3	1,637,885	3	(9)
Foreign exchange gains, net (Note 4)	903,319	2	807,018	1	12
Impairment losses on assets (Notes 4 and 16)	(26,897)	-	(43,029)	-	(37)
Other noninterest gains, net (Note 4)	<u>191,599</u>	<u>-</u>	<u>266,423</u>	<u>-</u>	(28)
Total net revenues and gains other than interest	<u>25,187,556</u>	<u>46</u>	<u>31,913,116</u>	<u>55</u>	(21)
TOTAL NET REVENUES	<u>54,805,919</u>	<u>100</u>	<u>57,897,440</u>	<u>100</u>	(5)
BAD-DEBT EXPENSES AND PROVISION FOR LOSSES ON COMMITMENTS AND GUARANTEES (Notes 4 and 13)	<u>(2,076,541)</u>	<u>(4)</u>	<u>(2,129,603)</u>	<u>(4)</u>	(2)
OPERATING EXPENSES (Notes 4, 16, 17, 18, 19, 30, 36 and 40)					
Employee benefits	(14,310,631)	(26)	(14,730,709)	(26)	(3)
Depreciation and amortization	(3,769,340)	(7)	(3,592,324)	(6)	5
General and administrative	<u>(14,746,209)</u>	<u>(27)</u>	<u>(13,485,365)</u>	<u>(23)</u>	9
Total operating expenses	<u>(32,826,180)</u>	<u>(60)</u>	<u>(31,808,398)</u>	<u>(55)</u>	3

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
INCOME BEFORE INCOME TAX	\$ 19,903,198	36	\$ 23,959,439	41	(17)
INCOME TAX EXPENSE (Notes 4 and 37)	<u>(4,121,857)</u>	<u>(7)</u>	<u>(3,373,936)</u>	<u>(6)</u>	22
NET INCOME FOR THE YEAR	<u>15,781,341</u>	<u>29</u>	<u>20,585,503</u>	<u>35</u>	(23)
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss (Notes 4, 30 and 37):					
Remeasurement of defined benefit plans	145,707	-	268,338	-	(46)
Changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss	6,445,728	12	(357)	-	1,805,626
Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	(3,080,932)	(6)	1,563,137	3	(297)
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>66,565</u>	<u>-</u>	<u>20,978</u>	<u>-</u>	217
Items that will not be reclassified subsequently to profit or loss, net of income tax	<u>3,577,068</u>	<u>6</u>	<u>1,852,096</u>	<u>3</u>	93
Items that may be reclassified subsequently to profit or loss (Notes 4 and 37):					
Exchange differences on the translation of financial statements of foreign operations	2,899,399	5	(785,553)	(1)	469

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
Unrealized losses on investments in debt instruments at fair value through other comprehensive income	\$ (12,025,992)	(22)	\$ (2,056,617)	(4)	485
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>827,235</u>	<u>2</u>	<u>347,567</u>	<u>1</u>	138
Items that may be reclassified subsequently to profit or loss, net of income tax	<u>(8,299,358)</u>	<u>(15)</u>	<u>(2,494,603)</u>	<u>(4)</u>	233
Other comprehensive loss for the year, net of income tax	<u>(4,722,290)</u>	<u>(9)</u>	<u>(642,507)</u>	<u>(1)</u>	635
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 11,059,051</u>	<u>20</u>	<u>\$ 19,942,996</u>	<u>34</u>	(45)
NET INCOME ATTRIBUTABLE TO:					
Owners of ESFHC	\$ 15,759,000	29	\$ 20,558,988	35	(23)
Non-controlling interests	<u>22,341</u>	<u>-</u>	<u>26,515</u>	<u>-</u>	(16)
	<u>\$ 15,781,341</u>	<u>29</u>	<u>\$ 20,585,503</u>	<u>35</u>	(23)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of ESFHC	\$ 11,035,019	20	\$ 19,916,428	34	(45)
Non-controlling interests	<u>24,032</u>	<u>-</u>	<u>26,568</u>	<u>-</u>	(10)
	<u>\$ 11,059,051</u>	<u>20</u>	<u>\$ 19,942,996</u>	<u>34</u>	(45)
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 38)					
Basic	<u>1.10</u>		<u>1.44</u>		
Diluted	<u>1.10</u>		<u>1.44</u>		

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of ESFHC						Other Equity			Non-controlling Interests (Notes 4 and 39)	Total Equity
	Capital Stock (Note 39)		Capital Surplus (Notes 4 and 39)	Retained Earnings (Notes 4, 9, 37 and 39)			Exchange Differences on the Translation of Financial Statements of Foreign Operations (Note 4)	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4, 9 and 37)	Changes in the Fair Value Attributable to Changes in the Credit Risk of Financial Liabilities Designated as at Fair Value Through Profit or Loss (Note 4)		
	Shares (In Thousands)	Common Stock		Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2021	12,567,100	\$125,671,000	\$ 25,350,214	\$ 13,078,728	\$ 164,235	\$ 17,061,205	\$ (2,089,399)	\$ 2,883,479	\$ (651,070)	\$ 132,185	\$181,600,577
Appropriation of 2020 earnings											
Legal reserve	-	-	-	1,705,818	-	(1,705,818)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,665,931)	-	-	-	-	(7,665,931)
Stock dividends	768,000	7,680,000	-	-	-	(7,680,000)	-	-	-	-	-
Issuance of common stock from employees' compensation	19,500	195,000	312,000	-	-	-	-	-	-	-	507,000
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	306,597	-	(306,597)	-	-	-
Net income for the year ended December 31, 2021	-	-	-	-	-	20,558,988	-	-	-	26,515	20,585,503
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	267,939	(632,313)	(277,829)	(357)	53	(642,507)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	20,826,927	(632,313)	(277,829)	(357)	26,568	19,942,996
BALANCE AT DECEMBER 31, 2021	13,354,600	133,546,000	25,662,214	14,784,546	164,235	21,142,980	(2,721,712)	2,299,053	(651,427)	158,753	194,384,642
Appropriation of 2021 earnings											
Legal reserve	-	-	-	2,113,352	-	(2,113,352)	-	-	-	-	-
Special reserve	-	-	-	-	1,074,086	(1,074,086)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(8,947,582)	-	-	-	-	(8,947,582)
Stock dividends	900,000	9,000,000	-	-	-	(9,000,000)	-	-	-	-	-
Issuance of common stock from employees' compensation	20,500	205,000	407,950	-	-	-	-	-	-	-	612,950
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	(18,107)	(18,107)
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(574,662)	-	574,662	-	-	-
Net income for the year ended December 31, 2022	-	-	-	-	-	15,759,000	-	-	-	22,341	15,781,341
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	143,702	2,335,809	(13,649,220)	6,445,728	1,691	(4,722,290)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	15,902,702	2,335,809	(13,649,220)	6,445,728	24,032	11,059,051
BALANCE AT DECEMBER 31, 2022	14,275,100	\$142,751,000	\$ 26,070,164	\$ 16,897,898	\$ 1,238,321	\$ 15,336,000	\$ (385,903)	\$ (10,775,505)	\$ 5,794,301	\$ 164,678	\$197,090,954

The accompanying notes are an integral part of the consolidated financial statements.

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 19,903,198	\$ 23,959,439
Adjustments for:		
Depreciation expenses	3,038,701	2,866,864
Amortization expenses	730,639	725,460
Expected credit losses/bad-debt expenses	2,107,950	2,140,010
Gains on financial assets and liabilities at fair value through profit or loss	(3,355,794)	(7,921,241)
Interest expense	24,235,627	9,497,790
Interest revenue	(53,853,990)	(35,482,114)
Dividend income	(1,423,492)	(958,164)
Provision for losses on guarantees	(20,149)	32,837
Salary expenses on share-based payments	455,528	606,146
Gains on disposal of properties and equipment	(4,858)	(22,065)
Gains on disposal of investments	(60,739)	(679,721)
Others	(6,140)	(4,137)
Net changes in operating assets and liabilities		
Due from the Central Bank and call loans to other banks	(15,370,086)	2,060,398
Financial assets at fair value through profit or loss	126,013,160	302,076,226
Financial assets at fair value through other comprehensive income	(18,548,934)	(74,079,140)
Investments in debt instruments at amortized cost	(90,997,141)	(291,929,995)
Receivables	2,871,697	(6,633,334)
Discounts and loans	(168,556,221)	(150,145,033)
Other financial assets	4,170,212	(2,860,668)
Other assets	7,588,645	(7,302,919)
Deposits from the Central Bank and other banks	(10,966,724)	28,512,172
Financial liabilities at fair value through profit or loss	(39,325,777)	(3,094,117)
Securities sold under repurchase agreements	1,846,656	5,343,391
Payables	899,877	(742,513)
Deposits and remittances	207,536,615	203,595,538
Provision for employee benefits	23	(285,365)
Other financial liabilities	27,957,603	4,808,545
Other liabilities	(7,393,569)	7,209,990
Cash generated from operations	19,472,517	11,294,280
Interest received	52,625,546	39,658,466
Dividends received	1,522,753	1,080,885
Interest paid	(21,551,022)	(10,802,942)
Income tax paid	(3,956,370)	(2,269,695)
Net cash generated from operating activities	<u>48,113,424</u>	<u>38,960,994</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for properties and equipment	(2,759,121)	(4,275,085)
Proceeds from disposal of properties and equipment	36,320	72,524
Increase in operating deposits	-	(10,000)

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
Increase in settlement fund	\$ (28,082)	\$ (130,169)
Decrease in settlement fund	14,327	114,287
Increase in refundable deposits	(7,282,532)	-
Decrease in refundable deposits	-	1,551,495
Payments for intangible assets	(316,624)	(403,142)
Payments for right-of-use assets	(102)	(1,529,564)
Increase in other assets	(1,627)	-
Decrease in other assets	<u>-</u>	<u>58</u>
Net cash used in investing activities	<u>(10,337,441)</u>	<u>(4,609,596)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	2,382,393	-
Decrease in short-term borrowings	-	(244,591)
Increase in due to the Central Bank and other banks	-	5,976,670
Decrease in due to the Central Bank and other banks	(14,021,010)	-
Increase in commercial paper issued	-	1,532,000
Decrease in commercial paper issued	(3,050,000)	-
Proceeds from issue of corporate bonds	-	2,000,000
Repayments of corporate bonds	(1,100,000)	(900,000)
Proceeds from issue of bank debentures	13,400,000	1,600,000
Repayments of bank debentures	(9,820,000)	(1,300,000)
Repayments of long-term borrowings	(11,495)	-
Increase in guarantee deposits received	5,249,187	-
Decrease in guarantee deposits received	-	(3,261,921)
Repayments of the principal portion of lease liabilities	(1,125,426)	(1,122,866)
Cash dividends paid	(8,947,582)	(7,665,931)
Cash dividends paid to non-controlling interests	<u>(18,107)</u>	<u>-</u>
Net cash used in financing activities	<u>(17,062,040)</u>	<u>(3,386,639)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(9,676,069)</u>	<u>3,681,766</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,037,874	34,646,525
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>104,712,225</u>	<u>70,065,700</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 115,750,099</u>	<u>\$ 104,712,225</u>

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	<u>December 31</u>	
	2022	2021
RECONCILIATIONS OF THE AMOUNTS IN THE CONSOLIDATED STATEMENTS OF CASH FLOWS WITH THE EQUIVALENT ITEMS REPORTED IN THE CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2022 AND 2021		
Cash and cash equivalents in the consolidated balance sheets	\$ 76,217,644	\$ 85,237,301
Due from the Central Bank and call loans to other banks in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows”	31,650,624	19,474,924
Securities purchased under resell agreements in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows”	<u>7,881,831</u>	<u>-</u>
Cash and cash equivalents at the end of the year	<u>\$ 115,750,099</u>	<u>\$ 104,712,225</u>

The accompanying notes are an integral part of the consolidated financial statements

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
E.SUN Financial Holding Company, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of E.SUN Financial Holding Company, Ltd. (ESFHC) and its subsidiaries (collectively, the "Company"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2022 and 2021, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Company's consolidated financial statements for the year ended December 31, 2022 are described as follows:

Assessment of Allowance for Possible Losses on Loans

The Company is engaged principally in providing loans to customers. As of December 31, 2022, the net amount of discounts and loans of the Company represented approximately 56% of total consolidated assets, and is

considered material to the consolidated financial statements as a whole. Besides assessing expected credit losses of loans in accordance with IFRS 9 “Financial Instruments”, the management of E.SUN Commercial Bank, Ltd. (E.SUN Bank), a subsidiary of ESFHC, complies with the Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans and related regulations (collectively, the Regulations) when assessing classification of credit assets and recognizing allowance for possible losses. For accounting policies and relevant information about loan impairment assessment of E.SUN Bank, please refer to Notes 4, 5 and 13 to the consolidated financial statements.

We determined the assessment of allowance for possible losses on loans to be a key audit matter for the year ended December 31, 2022 because the assessment made by E.SUN Bank to assess the classification of credit assets and recognize allowance for possible losses in accordance with the Regulations involves critical estimates and judgements.

The main audit procedures we performed in response to certain aspects of the key audit matter described above are as follows:

1. We obtained an understanding of and performed test on the relevant internal controls in respect of E.SUN Bank’s loan impairment assessment.
2. We acquired the loan evaluation form used by management of E.SUN Bank and assessed the allowance for possible losses on credit assets; we tested the completeness of the loan assets.
3. We assessed that the loans of E.SUN Bank were classified in accordance with the definition of the Regulations.
4. We calculated the required provision of allowance for possible losses on loans of E.SUN Bank in order to assess whether it complied with the Regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company’s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chen-Hsiu Yang and Kuan-Hao Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 24, 2023

Notice to Readers

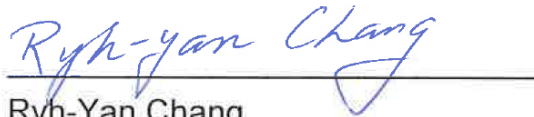
The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Audit Committee Report

To: E.SUN Financial Holding Company 2023 General Shareholders' Meeting

The Board of Directors has complied and submitted the Company's 2022 consolidated financial statements audited by Certified Public Accountants of Deloitte & Touche, business report and statement of distribution of retained earnings to the Audit Committee. After reviewing the abovementioned statements and reports and discussing with the CPAs, the Audit Committee has found them to meet the requirements of applicable laws and regulations. This report is hereby prepared in accordance with Article 14-4 of Security and Exchange Act and Article 219 of Company Act and submitted for your approval.



Ryh-Yan Chang

Convener

Audit Committee

E.SUN Financial Holding Company

Date: February 24, 2023

<Appendix 3>

E.SUN FHC Rules for Procedure of Shareholders' Meeting

(If there is any discrepancy between Chinese version and English version of the articles of incorporation of the Company, the Chinese version shall prevail.)

Article 1 (Basis)

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 182-1, paragraph 2 of the Company Act and Article 11 of Corporate Governance Best-Practice Principles for Financial Holding Companies.

Article 2

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 (Convening shareholders meetings and shareholders meeting notices)

The Company's shareholders' meetings shall, unless otherwise provided for in applicable laws and regulations, be convened by the Board of Directors. Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The background and details of the notice to convene a Meeting of Shareholders, the proxy form, the proposals to be acknowledged or discussed, and the list of directors to be elected or dismissed, shareholders meeting agenda and supplemental meeting materials shall be prepared in electronic format and sent to the Market Observation Post System not later than 30 days prior to the scheduled meeting date for a general meeting and 15 days for an extraordinary meeting. The agenda and supplemental documents for an upcoming shareholders meeting shall be made readily available to shareholders and displayed at the company not later than 15 days prior to the scheduled meeting date.

This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

For physical shareholders meetings, to be distributed on-site at the meeting.

For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The cause(s) or subject(s) of a shareholders' meeting to be convened shall be indicated in the individual notice to be given to shareholders; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining prior consent from the recipient(s) thereof.

Matters pertaining to election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for ceasing the Company's status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Article 185, paragraph 1 hereof shall be itemized in the causes or subjects to be listed in the notice to convene a shareholders' meeting, and shall not be brought up as extemporary motions.

Where the cause(s) of a shareholders meeting already includes a re-election of directors and states the effective date for the appointment, the effective date cannot be changed by extemporary motion or any other means in the same meeting after the re-election is completed.

Article 4 (Shareholders' right of proposal)

A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, the board of directors may include a proposal in the agenda if the proposal urges this Corporation to contribute to public interest or fulfill its corporate social responsibility. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, Written acceptance and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 5 (Proxy attendance at the shareholders meeting and authorization)

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 6 (Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 7 (Preparation of shareholders' meeting agenda handbook and attendance book, etc.)

This Corporation shall state the time and venue of registration and other important information for shareholders, solicitors and proxies (collectively "shareholders") in a notice of shareholders meeting.

The time of registration in the preceding paragraph shall start at least thirty minutes prior to the meeting. The venue of registration shall be clearly indicated and sufficiently staffed. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

This corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The attendance book, sign-in cards, and proxy attendance letters of authorization must be preserved for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such documents shall be preserved until the conclusion of the suit.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 7-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Corporation shall include the follow

particulars in the shareholders meeting notice:

How shareholders attend the virtual meeting and exercise their rights.

Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.

In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 8 (The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

If the powers of the chairperson is exercised by a managing director or director in the preceding paragraph, the managing director or director should be one who has been in office for six months or longer and be familiar with this Corporation's finance and business activities. The same requirement shall also apply if the chairperson is a representative of an institutional director.

The Chairperson shall preside in person at the board meeting convening the shareholders meeting, and at least one-half of the directors on the board and at least one person from each functional committee must be in attendance; the state of attendance shall be recorded in the shareholders meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 9 (Documentation of a shareholders meeting by audio or video)

The company, starting at the time of registration, shall make a video or audio recording of the entire shareholders meeting in a continuous uninterrupted manner and including the registration process, the meeting, and the voting process.

The aforesaid recordings shall preserve for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such recordings shall be preserved until the conclusion of the suit.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 10 (Calculation of the number of shares in attendance at the shareholders meeting and holding of the meeting)

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed, and the shares checked in on the virtual meeting platform in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time, and the number of shares having no voting right and the number of shares in attendance shall be announced at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 7.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 11 (Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Related proposals (including extemporaneous motions and amendments of existing proposals) shall be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and allocate sufficient time for voting.

Article 12 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Each shareholders speaking concerning a proposal may speak only once concerning a reporting matter, and each instance of speaking may not exceed 5 min. In the case of other proposals (including motions from the floor), shareholders may not speak more than twice without the chair's consent, and each instance may not exceed 5 min. However, the chair may terminate a shareholder's speaking if the shareholder violates regulations or speaks concerning issues outside the scope of the proposal topic.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the

chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 13 (Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14 (Voting on proposals, supervision of voting, and ballot counting method)

A shareholder shall be entitled to one vote for each share held; this requirement shall not apply to those who are restricted by law from voting or have no voting rights.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require a majority of the voting rights represented by the attending shareholders to be in favor. At the time of a vote, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. The

shareholders will vote on the proposals on a case-by-case basis. The results, including the numbers of votes in favor, against, and forfeited, will be entered into the Market Observation Post System after the shareholders meeting.

When there are no objections after the chair has asked the shareholders in attendance whether they have any objections to a proposal, the proposal shall be deemed to have passed, and the effectiveness of this method shall be equivalent to that of voting; if there are any objections, however, voting shall be performed as specified in the previous paragraph.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation. For voting at a shareholders meeting or an election, vote counting shall be conducted in public at the place of the shareholders meeting. The results of the voting, including the percentages, shall be announced on-site after all the votes are counted at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 7 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14-1 (Electronic voting)

When this company holds a shareholders meeting, it shall include electronic means as a possible channel for the exercise of voting rights, and this method shall be stated in the shareholders meeting notification. A shareholder exercising voting rights by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by electronic means, in the event the shareholder intends to attend the shareholders meeting in person or attend the meeting online, that shareholder should be able to use the same method as used to exercise his or her voting rights to express his or her wish to retract the exercise of voting rights in the previous paragraph before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by electronic means shall prevail.

When a shareholder has exercised voting rights by electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 15 (Election of directors and supervisors)

When a shareholders meeting elects directors, the election shall be held in accordance with this company's "director election regulations," and the election results shall be announced on the spot, the spot, including the list of directors elected and non-elected, and the percentages of votes received by elected and non-elected directors.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 16 (meeting minutes)

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

The meeting minutes in the preceding paragraph may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the paragraph 1 by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the percentages). In an election of directors, the percentage of winning votes for each candidate shall be disclosed, and shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 17 (Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, the number of shares represented by shareholders attending the meeting by correspondence or electronic means and shall make an express disclosure of the same at the place of the shareholders meeting.

In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting

starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 19 (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 20 (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 21 (Location of the chair and secretary of virtual-only shareholders meeting)

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 22 (Handling of disconnection)

In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or

resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 23 (Handling of digital divide)

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 24

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Article 25

These Rules were formulated on December 10, 2001.

Amended for the first time at the shareholders' meeting on June 28, 2011.

Amended for the second time at the shareholders' meeting on June 22, 2012.

Amended for the third time at the shareholders' meeting on June 12, 2015

Amended for the fourth time at the shareholders' meeting on June 14, 2019.

Amended for the fifth time at the shareholders' meeting on June 12, 2020.

Amended for the sixth time at the shareholders' meeting on June 11, 2021.

Amended for the seventh time at the shareholders' meeting on June 17, 2022

<Appendix 4>

**E.SUN Financial Holding Co., Ltd.
The Rules for Election of Directors**

(If there is any discrepancy between Chinese version and English version of the articles of incorporation of the Company, the Chinese version shall prevail.)

Article 1 Unless otherwise specified by the Company Act or the Articles of Incorporation of E.SUN Financial Holding Co., Ltd. (hereinafter referred to as the "Company"), the election of the Company's directors shall be handled pursuant to the provisions of these Regulations.

Article 2 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. Board members should be diversified in terms of the following:

I. Basic requirements and values: Gender, age, nationality, and culture.

II. Professional knowledge and skills: Professional background, professional skills, and industry experience.

Each board member shall possess the knowledge, skills, and experience needed to perform their duties, and the abilities that must be present in the board as a whole are as follows:

I. Ability to make sound business judgments.

II. Ability to conduct accounting and financial analysis.

III. Business management ability.

IV. Crisis management ability.

V. Knowledge of the industry.

VI. An international market perspective.

VII. Leadership ability.

VIII. Decision-making ability.

The qualifications and election of independent directors of the Company shall comply with the provisions set forth under the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".

A certain minimum proportion of board members of the Company shall possess one of

the qualifications specified under Article 9, Paragraph 1 of the "Regulations Governing Qualification Requirements for the Promoter or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company".

More than half of the directors shall neither have a spousal relationship nor a familial relationship within the second degree of kinship with any other director.

The Company's board of directors shall consider adjusting its membership composition based on the results of performance evaluations.

Article 3 The disclosed cumulative voting method shall be used to elect directors at the shareholders' meeting of the Company, and each share shall have voting rights in a number equal to the number of directors to be elected and may be cast for a single candidate or split among multiple candidates. Shareholders may opt to exercise their voting rights by way of electronic means or in person at the shareholders' meeting.

Elections of the Company's directors (including independent directors) shall be conducted in accordance with the candidate nomination system. The Board of Directors shall, unless under any of the circumstances listed in Article 192-1, paragraph 5 of the Company Act, include all qualified candidates in the final roster of director candidates.

The election of independent directors and the election of non-independent directors shall be conducted at the same time, and the number of elected candidates shall be separately calculated.

Candidates with the highest number of votes shall be assigned to fill independent director positions, followed by non-independent director positions.

Article 4 The number of the Company's directors is specified in the Articles of Incorporation; those receiving ballots representing the highest number of voting rights shall be elected sequentially according to their respective numbers of votes, provided that the conditions concerning proportionality of qualifications stipulated under Article 2, Paragraph 3 of these Regulations are satisfied.

In addition, the following circumstances shall be noted:

I. Where a candidate who has received the most ballots representing the highest number of voting rights does not meet the criteria set forth under Article 2, Paragraph 3 of these Regulations, such that the Company would be unable to satisfy the quota of directors possessing the legally required qualifications, the candidate in question shall be barred from being elected to the position of director. In the case of a vacancy arising therefrom,

the candidate who has received the second largest number of ballots representing the highest number of voting rights, and who possesses one of the criteria stipulated under Article 2, Paragraph 3 of these Regulations, shall be elected as director.

II. Where two or more persons receive the same number of votes, thus exceeding the specified number of positions, priority shall be given to the candidate who possesses one of the criteria stipulated under Article 2, Paragraph 3 of these Regulations, followed by drawing lots to determine the winner, with the chairperson drawing lots on behalf of any candidate who is not in attendance.

Article 5 The board of directors shall prepare ballots for the election of directors using numbers which correspond to the shareholder's account number or attendance card number, and the number of voting rights associated with each ballot shall be specified on the ballots.

Where a shareholder opts to exercise their voting rights by way of electronic voting means, only the voting platform designated by the Company may be used.

Article 6 Before the election begins, the chairperson shall appoint a certain number of persons with shareholder status to perform the respective duties of vote monitoring and vote tallying personnel.

Article 7 The Company shall prepare ballot boxes for the election of directors, and such boxes shall be publicly checked by the vote monitoring personnel prior to commencement of voting.

Article 8 Voters must enter the candidate's account name or personal name along with the shareholder's account number, business tax identification number, or national identification number in the "candidate" column of the ballot. If there are multiple candidates, the number of voting rights allotted to each of the respective candidates shall be entered.

If the candidate is a government agency or an institutional shareholder, the name of the government agency or institution shall be entered in the candidate's column on the ballot; the name of the government agency or institution along with the personal name of its representative may also be provided. Where there are multiple representatives, the names of each respective representative shall be entered.

Article 9 A ballot shall become invalid under any of the following circumstances:

- I. The ballot was not prepared by the board of directors.
- II. A blank ballot was placed in the ballot box.
- III. Handwriting is illegible or has been altered.

- IV. The account name or personal name of the candidate entered in the ballot is inconsistent with the information recorded in the shareholder register or does not match the information on the candidate's identity card.
- V. The name of the candidate entered in the ballot coincides with that of another person, but a shareholder number, business tax identification number, or national identification number was not entered for identification purposes.
- VI. The candidate filled in is not included in the roster of candidates published by the Company or the combined number of votes assigned to the given candidate exceeds the ballot's designated number of votes.
- VII. Other text was entered aside from the candidate's account name, personal name, shareholder account number, business tax identification number, national identification number, and the number of voting rights allotted.

Article 10 After voting has ended, ballots shall be immediately tallied on site, and the results of the vote, including the list of persons elected as directors and the numbers of votes they received, shall be forthwith announced by the chairperson.

The election ballots referred to in the preceding paragraph shall be signed and sealed by the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the above-mentioned documents must be retained until the litigation is concluded.

Article 11 Newly-elected directors shall be respectively notified of their appointment by the Company's board of directors.

Article 12 Any matters not addressed by these Regulations shall be governed pursuant to the Financial Holding Company Act, the Company Act, the Company's Articles of Incorporation, and other relevant laws and regulations.

Article 13 These Regulations were formulated on December 10, 2001.
 Amended for the first time at the shareholders' meeting on June 9, 2006.
 Amended for the second time at the shareholders' meeting on June 13, 2008.
 Amended for the third time at the shareholders' meeting on June 21, 2013.
 Amended for the fourth time at the shareholders' meeting on June 12, 2015.
 Amended for the fifth time at the shareholders' meeting on June 14, 2019.

<Appendix 5>

**E.SUN FINANCIAL HOLDING COMPANY, LTD.
ARTICLES OF INCORPORATION**

(If there is any discrepancy between Chinese version and English version of the articles of incorporation of the Company, the Chinese version shall prevail.)

Chapter 1: GENERAL PROVISIONS

- Article 1: The Company is incorporated in accordance with the provisions of Company Act, Financial Holding Company Act and other relevant laws and regulations, with the aim to increase its economic scale, achieve operating synergies, and increase competitiveness.
- Article 2: The name of the Company shall be “E.SUN FINANCIAL HOLDING COMPANY, LTD.” (abbreviated to “E.SUN FHC”).
- Article 3: The headquarters of the Company shall be established in Taipei City, and the Company may establish branches in other appropriate locations inside or outside Taiwan as necessary. The establishment, cancellation or alteration of branches shall be subject to resolutions of the board of directors of the Company and the approval from and registration with the competent authorities.
- Article 4: The public announcements of the Company shall be published in a conspicuous place on a daily newspapers commonly circulated in the area where the headquarters of the Company is located, unless otherwise required by laws and regulations, the competent securities authorities, or regulations of the Company.

CHAPTER 2: SHARES

- Article 5: The total capital amount of the Company shall be Two Hundred Billion New Taiwan Dollars (NT\$200,000,000,000), divided into Twenty Billion (20,000,000,000) shares at a par value of Ten New Taiwan Dollars (NT\$10) per share. The board of directors is authorized to issue such shares in installments.
- Within the total amount of shares given above, the Company may conduct buybacks and issue share subscription warrants and restricted stock for employees, with the Board of Directors authorized to resolve on doing so in installments. The intended recipients shall include employees of affiliate companies who meet certain criteria.
- Article 6: The share certificates of the Company shall be issued in registered form after being signed or sealed by the chairman and three (3) directors, and certified and issued in accordance with laws and regulations of the competent authority.
- The Company may issue registered stock without printing share certificates or may print

a global share certificate representing the total number of the new shares to be issued in one issuance; however, the shares shall be registered by or placed under the custody of a centralized securities custodian.

Article 7: The shareholders of the Company shall supply a specimen chop to the Company for record. Collection of dividends, bonuses or exercise of shareholders rights in writing shall be based on the said chop impressions.

Article 8: The entries in the shareholders' roster in relation to the transfer of shares of the Company shall not be altered within sixty (60) days before an annual shareholders meeting, thirty (30) days before an extraordinary shareholders meeting, or five (5) days before the record date for distribution of dividends, bonuses or other benefits.

Article 9: Matters relating to shares of the Company shall be performed in accordance with the provisions of the Company Act, directions of the competent authorities, and other relevant laws and regulations.

CHAPTER 3: SCOPE OF BUSINESS

Article 10: The Company shall engage in: H801011 financial holding company business.

Article 11: The scope of business of the Company shall be as follows:

1. The Company may invest in the following businesses:

- (1) Financial Holding Companies;
- (2) Banking businesses;
- (3) Bills finance businesses;
- (4) Credit card businesses;
- (5) Trust businesses;
- (6) Insurance businesses;
- (7) Securities businesses;
- (8) Futures businesses;
- (9) Venture capital businesses;
- (10) Foreign financial institutions approved for investment by the competent authorities;
- (11) Other businesses approved by the competent authorities as related to the financial industry.

2. Management of the invested business listed in the preceding paragraph.

3. The Company may apply to the competent authorities for investment in businesses other than those described in Paragraph 1 above.

4. Other businesses approved by the competent authorities.

CHAPTER 4: SHAREHOLDERS MEETING

Article 12: The shareholders' meetings of the Company include annual meetings and extraordinary meetings:

1. Annual meetings shall be convened by the board of directors within six (6) months after the end of each fiscal year.
2. If necessary, extraordinary meetings are convened according to the Company Act.

Article 12-1: The company may hold the shareholder's meeting by video conference or other methods announced by the Ministry of Economic Affairs, R.O.C.

Article 13: Where a shareholder intends to appoint a proxy to attend a shareholders' meeting, such shareholder shall execute the proxy form prepared by the Company, specifying the scope of authority granted to the proxy, and sign or seal the proxy form. Proxy forms shall be delivered to the Company five (5) days before a shareholders' meeting. A shareholder may issue only one proxy form and appoint only one proxy. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

After the service of the proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power by way of electronic transmission, a proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

When a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the Company, otherwise, the portion of excessive voting power shall not be counted.

Article 14: The shareholders' meetings shall be chaired by the chairman of the Company. Where the chairman is absent or unable to exercise his/her powers for any reason, the chairman shall designate a director to do so on his/her behalf. Whenever the chairman does not make a designation, the directors shall elect a director one (1) from amongst themselves to preside the meeting.

Article 15: Unless otherwise provided by these Articles, or the laws and regulations, each shareholder of the Company shall be entitled to one vote for each share owned.

Juristic persons may have more than one (1) representative, but exercise of voting rights by such representative/s shall be based on the total number of shares held by the juristic person. Where there are more than two (2) representatives, they shall exercise the said voting rights jointly.

Article 16: The shareholders meeting shall have the following powers and duties:

1. Review and amend the articles of incorporation of the Company.
2. Elect directors.
3. Inspect statements prepared by the board of directors and reports prepared by the audit committee.
4. Resolutions for increase or reduction of capital.
5. Resolutions for distribution of profits, dividends and bonuses.
6. Other matters subject to resolutions of the shareholders' meeting according to relevant laws or regulations.

Article 17: Unless otherwise provided by the Company Law, resolutions made by shareholders' meeting shall be adopted if approved by a meeting attended by shareholders representing more than half (1/2) of total issued shares, and approved by more than half (1/2) of the voting rights present.

Where the number of shares represented by the shareholders present is less than half but those present represent one-third (1/3) or more of total number of issued shares, a tentative resolution may be passed by a majority of those present. A notice of such tentative resolution shall be given to each of the shareholders, and reconvene a shareholders' meeting within one month.

In the aforementioned shareholders meeting, if the tentative resolution is again adopted by a majority of those present who represent one-third (1/3) or more of the total number of issued shares, such tentative resolution shall be deemed to be a resolution under the first paragraph.

The tentative resolution referred to in the preceding two paragraphs does not apply to the election of directors, and other matters that require a special resolution according to provisions of the Company Law.

Article 18: Resolutions adopted at a shareholders meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting, and distributed to all shareholders within twenty (20) days after the meeting in accordance with the Procedural Rules Governing Shareholders' Meetings of the Company.

CHAPTER 5: BOARD OF DIRECTORS

Article 19: The Company shall have nine (9) to thirteen (13) directors. A director shall hold office for a term of three (3) years and shall be eligible for reelection. Directors shall be elected by the shareholders meeting from persons with capacity and good morals.

The aggregate number of shares held by the aforementioned board of directors may not

be lower than the minimum percentage stipulated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.

Article 19-1: Among the directors of the Company, the independent directors shall not be less than three (3) in number and not be less than one-fifth (1/5) of the total number of directors. The directors of the Company include independent directors and shall be elected with a candidate nomination system by shareholders from among those listed in the slate of director candidates. The professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election, and other matters for compliance with respect to directors shall be handled in accordance with the rules promulgated by the competent authority.

Article 20: When the number of vacancies in the board of directors of the Company equals to one-third (1/3) of the total number of directors, the board of directors shall convene an extraordinary shareholders meeting within sixty (60) days to elect succeeding directors to fill the vacancies, who shall serve for the remaining part of the prevailing term.

Article 21: The chairman of the board of directors shall be elected from amongst the directors, by a board meeting attended by more than two-thirds (2/3) of directors, and approved by more than half of attending directors.

The chairman of the board of directors shall internally reside the shareholders’ meetings and the meetings of the board of directors and externally represent the Company. Where the chairman of the board of directors is absent or unable to exercise his/her powers for any reason, the chairman shall designate a director to do so on his/her behalf. Where the chairman has not made a designation, the directors shall elect one from amongst themselves an acting chairman of the board of directors.

Article 22: The board of directors shall have the following powers and duties:

1. Determination of significant businesses and proposals.
2. Proposal for increase or reduction of capital.
3. Decision in regard with establishment, cancellation or change of domestic or overseas branches.
4. Review of major contracts.
5. Determination of budgets and preparation of final accounts.
6. Decisions for purchase, sale, lease, or disposal of significant real estate.
7. Proposal of profits distribution.
8. Appointment and dismissal of President, Deputy President, Senior Executive Vice President, General Managers and Chief Auditor.
9. Appoint directors and supervisors of subsidiaries.
10. Establishment of functional special committees.

11. Other powers granted by law and resolutions of the shareholders meeting.

Where a matter referred to in subparagraph 6 of the preceding paragraph is a matter stipulated in Article 185 of the Company Law, such matter shall be subject to special resolution of the shareholders meeting.

Article 23: The meetings of board of directors shall be held at least quarterly, and shall be convened by the chairman of the board of directors unless otherwise provided by Company Act.

In calling a meeting of the board of directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director no later than seven (7) days prior to the scheduled meeting date. In emergency circumstances, however, the meeting may be convened at any time.

The notice shall be affected by means of mail, deliver in person, fax, telex, telegram, wire, e-mail, or other forms of electronic transmission.

Except for the matters which shall be decided by the board of directors according to laws and regulations, the board of directors of the Company may authorize the chairman of the board of directors to exercise the power and authority of the board of directors during the recess of the board of directors. The authorized matters are as follows:

1. Appoint directors, supervisors, and authorized representatives of subsidiaries(including overseas branches, affiliates or subsidiaries).
2. Adjustment on the Company's organization or revision of charter of the Company.
3. Supervising and managing the trading of financial derivatives of the Company.
4. The applicable record dates for capital increase or capital reduction, cash dividends allocation, and stock subscription or allocation, etc.
5. Other matters authorized by the board of directors.

Article 24: The directors shall attend the meeting of the board of directors in person. Where a director is unable to attend for any reason, he/she may authorize another director to be a proxy, provided that he/she shall issue a proxy form each time and enumerate the scope of authority granted to the proxy.

A director may only serve as proxy for one (1) other director at the same time.

Article 25: Unless otherwise provided by the Company Law, resolutions made by the meeting of board of directors shall be adopted only if approved by a meeting attended by more than half (1/2) of directors, and approved by more than half (1/2) of the directors present.

Article 26: Resolutions adopted in the meeting of the board of directors shall be recorded in the minutes of the meetings, which shall be affixed with the signature or seal of the chairman of the board of directors, and distributed to all directors within twenty (20) days after the meeting.

Minutes of the meeting of board of directors shall record the date and place of the

meeting, name of the chairman, and the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting.

Minutes of the meetings of the board of directors shall be kept together with the attendance book bearing the signatures of directors present at the meetings and the proxy forms.

The distribution of minutes of the meetings in first paragraph of this article may be effected by means of electronic transmission.

Article 27: When holding a meeting of the board of directors, the Company may, as necessary for the agenda items of the meeting, notify non-director officers from relevant departments to attend the meeting as non-voting participants, and when necessary, the Company may also invite certified public accountants, attorneys, or other professionals to attend the meeting as non-voting participants.

Article 27-1: The Company may purchase liability insurance policies for directors and key employees in accordance with resolutions of the board of directors.

Following the suggestion of the compensation committee, the board of directors is authorized to determine the proportions of remuneration to the chairman and directors, according to their involvement and contribution to the operations of the Company, taking into account the standards of other firms of the same industry.

CHAPTER 6: AUDIT COMMITTEE AND FUNCTIONAL COMMITTEE

Article 28: The Company shall establish an audit committee. The audit committee shall be composed of the entire number of independent directors, and shall not be fewer than three (3) persons in number, one (1) of whom shall be convener, and at least one (1) of whom shall have accounting or financial expertise.

Article 29: The exercise of the powers and duties and other compliance matters of the audit committee shall be handled in accordance with the relevant laws and regulations or the regulations of the Company.

Article 30: The Company may set up other functional committees under the Board of Directors, with the numbers of members and their tenures and duties and powers to be spelled out in their respective organizational regulations.

CHAPTER 7: MANAGERS

Article 31: The Company shall have a president, deputy presidents, senior executive vice presidents, a general auditor, executive vice presidents and managers, all of whom shall be appointed or discharged by resolution of the meeting of the board of directors according to Company Act, Financial Holding Company Act and related laws and

regulations.

Article 32: The president shall handle all operations of the Company in accordance with resolutions of the meeting of the board of directors. The deputy presidents, senior executive vice presidents and the executive vice presidents shall assist the president.

Article 33: Where the president takes a leave or is unable to exercise his/her powers for any reason, the chairman of the board of directors may designate one (1) deputy president or senior executive vice president to exercise the powers of the president on his/her behalf.

CHAPTER 8: ACCOUNTING

Article 34: Fiscal year of the Company shall commence from January 1 to December 31 of each year.

Article 35: Upon the end of each fiscal year, the board of directors shall prepare the following accounts and statements, and submit the same to the shareholders at the annual shareholders' meeting for recognition in accordance with relevant laws:

1. Business report;
2. Financial statements;
3. Proposal for distribution of profits or making up of losses.

The aforementioned final accounts shall be submitted to the competent authorities in accordance with provisions of the Company Act, Securities and Exchange Act, Financial Holding Company Act, and other relevant laws and regulations, and be publicly disclosed according to relevant laws and regulations.

Article 36: The earnings of the Company in a given year (pretax profit before distribution of employee and director compensation) shall be reserved to cover the losses accumulated from previous years. 2% to 5% of the balance from the above shall be allocated as employee compensation, while not more than 0.9% shall be allocated as director compensation.

If employee compensation is to be distributed in the form of shares, the Company may either issue new shares or repurchase existing shares.

Recipients of employee compensation shall include employees of affiliate companies who fulfill certain criteria. Proposals of employee and director compensation distribution shall be presented to shareholders' meetings.

Article 36-1: The company adopts a residual dividend policy to continuously strengthen the financial structure and improve profitability while maintaining adequate self-owned capital. It distributes stock dividends to retain the required funds, and the remaining surplus is distributed in cash dividends.

If the final accounting shows profit, after having paid all taxes and duties, the losses accumulated in the preceding years shall be first covered before the remaining amount is appropriated as legal reserve and special reserve in accordance with the law. If necessary, a special reserve may also be appropriated. The distribution of remaining profits together with the reversal of special reserve as well as the retained earnings accumulated from previous years shall then be proposed by the board of directors and submitted for resolution at shareholders' meetings. The Company may decide the most appropriate dividend policy and distribute cash dividends and/or stock dividends according to its operating strategy and future capital planning.

Cash dividends shall not be less than 10% of the total dividends. However, in the event the proposed distribution of cash dividend is lower than NT\$0.1 per share, the Company may, at its sole discretion, opt to make such distribution in the form of stock dividends. The distribution of dividends shall be conducted based on the shareholdings of shareholders as recorded in the shareholders register on the dividend distribution baseline date.

CHAPTER 9: MISCELLANEOUS

- Article 37: The organization and procedural rules governing meetings of the board of directors, organizational rules, responsibilities of the board of directors and managers, the departmental responsibilities and other company regulations shall be separately determined.
- Article 38: Any matters not provided for in these Articles shall be governed by Financial Holding Company Act, Company Act and other relevant laws and regulations.
- Article 39: These Articles shall enter into force upon registration with the competent authorities. The same applies to any amendments.
- Article 40: These Articles are established on December 10, 2001.
The first amendment was made in the shareholders' meeting of June 26, 2002
The second amendment was made in the shareholders' meeting of June 11, 2004.
The third amendment was made in the shareholders' meeting of June 10, 2005.
The fourth amendment was made in the shareholders' meeting of June 9, 2006.
The fifth amendment was made in the shareholders' meeting of June 13, 2008.
The sixth amendment was made in the shareholders' meeting of June 22, 2012.
The seventh amendment was made in the shareholders' meeting of June 21, 2013.
The eighth amendment was made in the shareholders' meeting of June 20, 2014.
The ninth amendment was made in the shareholders' meeting of June 8, 2016.
The tenth amendment was made in the shareholders' meeting of June 16, 2017.
The eleventh amendment was made in the shareholders' meeting of June 14, 2019.
The twelfth amendment was made in the shareholders' meeting of June 17, 2022.

<Appendix 6>

E.SUN Financial Holding Co., Ltd.
Shareholdings of members of the 7th Board of Directors

Title	Name	Number of shares held
Chairman	Representative of E.SUN Volunteer & Social welfare Foundation Yung-Jen Huang	44,877,403
Director	Representative of E.SUN Culture and Education Foundation Joseph N.C. Huang	22,995,611
Director	Representative of Hsin Tung Yang Co., Ltd. Jackson Mai	78,852,636
Director	Representative of Fu-Yuan Investment Co.,Ltd. Ron-Chu Chen	57,568,299
Director	Representative of Shang Li Car Co.,Ltd. Chien-Li Wu	65,107,000
Director	Magi Chen	2,792,906
Director	Mao-Chin Chen	2,214,772
Independent director	Ryh-Yan Chang	0
Independent director	Chun-Yao Huang	0
Independent director	Ying-Hsin Tsai	0
Independent director	Hung-Chang Chiu	0
Independent director	Ruey-Lin Hsiao	0
The minimum legal number of shares that all directors should hold		160,000,000
Number of shares held by all directors		274,408,627

Notes : 1.The shareholdings of above (including shares that retain the power to decide the allocation of the trust fund) are shares held by individual and all directors recorded on shareholder roster as of the book closure date (2023/4/11).

2.The shareholdings of all directors of the Company are compliant with the standards set by the Securities and Futures Bureau for the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” .