

Material Information (2884 E.S.F.H)

SEQ_NO	5	Date of announcement	2025/11/05	Time of announcement	17:38:25
Subject	E.SUN Financial Holding Co., Ltd. announces the Board's resolution on acquiring 100% shares of Mercuries Life Insurance Co., Ltd. through share swap				
Date of events	2025/11/05	To which item it meets	paragraph 11		
Statement	<p>1.Type of merger and acquisition (e.g.merger, spin-off, acquisition, or share transfer):acquisition through share swap</p> <p>2.Date of occurrence of the event:2025/11/05</p> <p>3.Names of companies participating in the merger and acquisition (e.g., name of the other company participating in the merger, newly established company in a spin-off, acquired company, or company whose shares are transferred): Mercuries Life Insurance Co., Ltd.</p> <p>4.Trading counterparty (e.g., name of the other company participating in the merger, company spinning off, or trading counterparty to the acquisition or share transfer):All shareholders of Mercuries Life Insurance Co., Ltd.</p> <p>5.Whether the counterparty of the current transaction is a related party: No</p> <p>6.Relationship between the trading counterparty and the Company (investee company in which the Company has re-invested and has shareholding of XX%), explanation of the reasons for the decision to acquire from or transfer shares to an affiliated enterprise or related party, and whether it will affect shareholders' equity:NA</p> <p>7.Purpose and conditions of the merger and acquisition, including the reason, consideration conditions and payment schedule of the merger and acquisition:To expand the financial holding company's footprint and customer base.</p> <p>Each common share of Mercuries Life Insurance Co., Ltd. will be exchanged for 0.2486 common shares of the Company.</p> <p>The actual share swap effective date will be announced by both parties after being agreed upon in accordance with the Share Swap Agreement, subsequent to the competent authority's approval of this transaction.</p> <p>8.Anticipated benefits of the merger and acquisition: To expand the financial holding company's footprint, customer base, and asset scale, leverage integrated marketing benefits, and provide customers with comprehensive financial services, including banking, life insurance, securities, and investment trust, thereby strengthening the Company's long-term competitiveness.</p> <p>9.Effect of the merger and acquisition on net worth per share and earnings</p>				

per share:Leveraging group operational synergies post-merger, it is expected to have a positive impact on both future earnings per share and book value per share.

10.Types of consideration for mergers and acquisitions

and sources of funds:The stock consideration will be supported by issuing new common shares.

11.Share exchange ratio and calculation assumptions:

(1)Share exchange ratio: Each common share of Mercuries Life Insurance Co., Ltd. will be exchanged for 0.2486 common shares of our Company

(2)Calculation assumptions:This ratio was determined through negotiation and agreement between both parties, referencing the equity investment valuation report provided by an external financial advisor.

The agreed-upon share swap ratio falls within the reasonable range stated in the fairness opinion issued by CPA JL Chen of JL Chen CPA, an independent expert.

12.Whether the CPA, lawyer or securities underwriter issued an unreasonable opinion regarding the transaction:No

13.Name of accounting, law or securities firm:JL Chen, CPA

14.Name of CPA or lawyer:JL Chen

15.Practice certificate number of the CPA:Certificate No.943 issued by Taipei CPA Association

16.The content of the independent expert opinion on the reasonableness of the share exchange ratio, cash or other assets allotted to shareholders in this merger and acquisition:

The independent expert's valuation, based on the market approach, calculated a share swap ratio range for Mercuries Life Insurance Co., Ltd. common shares. The fair share swap ratio range for each common share of Mercuries Life Insurance Co., Ltd. is between 0.2114 and 0.2897 common shares of the company.

The company proposes a share swap ratio of 0.2486 common shares of the company for each common share of Mercuries Life Insurance Co., Ltd. As this proposed ratio falls within the evaluated fair share swap ratio range, the share swap ratio for this transaction is deemed reasonable.

The reference price for the company's common shares is determined as the simple arithmetic average of the company's closing prices over the 60 trading days preceding (but not including) November 5, 2025, which amounts to NT\$32.99.

The reference price for Mercuries Life Insurance Co., Ltd. is calculated as the the company's reference price multiplied by the unadjusted share swap ratio, rounded to two decimal places, with the third decimal place rounded up or down.

17. Estimated date of completion:

(1) An application for this transaction will be submitted to the competent authority after the resolutions are approved at the Special Shareholders' Meeting of shareholders of both companies.

(2) Upon approval of this transaction by the competent authority, the Boards of Directors of both companies will separately resolve the share conversion effective date.

(3) After completing relevant procedures, Mercuries Life Insurance Co., Ltd. will apply for delisting in accordance with applicable laws and regulations.

18. Matters related to the assumption of corporate rights

and obligations of the dissolving company (or spin-off)

by the existing or newly-established

company: NA

19. Basic information of companies participating in the merger:

E.SUN Financial Holding Co., Ltd. is a financial holding company mainly operating in investment and management of its invested enterprises.

Mercuries Life Insurance Co., Ltd. operates in the life insurance industry, primarily engaging in various businesses related to life insurance.

20. Matters related to the spin-off (including estimated value

of the business and assets planned to be transferred to the

existing company or new

company. The total number of shares to be acquired by the spun-off company

or its shareholders, and their respective types and no. Matters related to

the reduction, if any, in capital of the spun-off company)(note: not

applicable for announcements unrelated to spin-offs): NA

21. Conditions and restrictions for future transfer of shares

resulting from the merger and acquisition: None

22. Post-merger and acquisition plan:

(1) Willingness to continue operating the business of the company, and the contents of plans to that effect

(2) Dissolution; delisting from an exchange (or OTC market);

material changes in organization, capital, business plan,

financial operations and production; accommodation or

utilization of staff and assets critical to the Company;

or any other matter of material significance that would

affect the company's shareholder equity:

(1) After the completion of this share swap case, Mercuries Life Insurance

Co., Ltd. will become a 100% owned subsidiary of E.SUN Financial Holding

Co., Ltd.

(2) Once the share swap application has been approved by the competent

authority, Mercuries Life Insurance Co., Ltd. will apply to the Taiwan

Stock Exchange Co., Ltd. to terminate the listing of securities.

23. Other important terms and conditions: If either party distributes stock dividends and/or cash dividends up to the share swap effective date, the share swap ratio will be adjusted according to the formula stipulated in Article 4 of the Share Swap Agreement.

24. Other major matters related to the mergers and acquisitions: None

25. Any objections from directors to the transaction: None

26. Information on interested directors involved in the mergers and acquisitions: None

27. Whether the transaction involved in change of business model: NA

28. Details on change of business model: NA

29. Details on transactions with the counterparty for the past year and the expected coming year: NA

30. Source of funds: NA

31. Any other matters that need to be specified:

This case still needs to be approved by the shareholders' meetings of both parties, and then it needs to be approved by the Financial Supervisory Commission, the Fair Trade Commission, and the Taiwan Stock Exchange Co., Ltd.