

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name E.Sun Financial Holding Co., Ltd.		2 Issuer's employer identification number (EIN)	
3 Name of contact for additional information Chiwei Hsiao	4 Telephone No. of contact +886.2.2175.1313 Ext:9347	5 Email address of contact chiweih-09040@email.esunbank.com.tw	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 13F, No. 117, Sec 3, Minsheng E. Road		7 City, town, or post office, state, and Zip code of contact Taipei, 10546, Taiwan	
8 Date of action Sep 04, 2018		9 Classification and description Global Depository Shares ("GDSs") and Common Shares ("Shares")	
10 CUSIP number 26915N207	11 Serial number(s) TW0002884004 (Shares)	12 Ticker symbol ESNFY.LX / 2884.TT	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On July 27, 2018, E.Sun Financial Holding Co., Ltd. ("E.SUN") announced a stock distribution whereby holders of E.SUN common stock would receive 61.26159700 new shares of E.SUN common stock ("New Shares") for every 1,000 existing shares ("Existing Shares") held as of July 27, 2018, and holders of existing GDSs (the "Existing GDSs") would receive 6.12615970 new GDSs ("New GDSs") for every 100 Existing GDSs held as of July 27, 2018 (the "GDS Record Date"), less an amount of GDSs corresponding to New Shares sold to cover Taiwanese withholding tax. For every 100 Existing GDSs, the New Shares sold to cover Taiwanese withholding tax corresponded to 0.5861864423 of a New GDS, such that holders of Existing GDSs received 5.5399732577 New GDSs per 100 Existing GDSs held as of the GDS Record Date. The effective date for the stock distribution for holders of Existing Shares was Aug 27, 2018 while the effective date for the stock distribution for holders of Existing GDSs was Sep 04, 2018.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ As required by Code Section 307(a), and the U.S. Treasury regulations thereunder, the U.S. tax basis of Shares should be allocated between Existing Shares and New Shares in proportion to their respective fair market values. The U.S. tax basis of Existing GDSs should be allocated among Existing GDSs, New GDSs, and the New Shares that were sold to cover Taiwanese withholding taxes. The ratio of (1) Existing Shares to (2) the sum of Existing Shares and New Shares equals 1,000 / (1,000 + 61.26159700), or 94.22747443%. Therefore, the total basis of each Existing Share after the stock distribution will equal 94.22747443% of its total basis prior to the stock distribution. The ratio of (1) Existing GDSs to (2) the sum of Existing GDSs, New GDSs and the New Shares sold to cover Taiwanese withholding taxes equals 100 / (100 + 6.12615970), or 94.22747443%. Therefore, the basis of each Existing GDS will equal 94.22747443% of the basis of such Existing GDS prior to the GDS distribution. Holders and beneficial owners are encouraged to discuss with their tax advisors the implications of the sale of New Shares to cover Taiwanese withholding tax. E.SUN has determined that the fair market value of each GDSs as \$18.20 on the GDS effective date. Each holder or shares (or holders of GDSs) should allocate 94.22747443% of its basis in each exiting shares (or GDSs) to each (or GDSs) received in the distribution.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ _____

Please refer to item 15.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
Please refer to item 15.

18 Can any resulting loss be recognized? ▶ For U.S. federal income tax purposes, the stock distribution itself will not result in any tax loss for holders of Existing Shares or Existing GDSs. But, as stated in the answer to Question 15, holders of Existing GDSs should consult their tax advisors as to the potential implications of the sale of New Shares to cover Taiwanese withholding tax.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable taxable year is 2018.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶ <u>Maggi Chen</u>	Date ▶ _____		
Paid Preparer Use Only	Print your name ▶ <u>Maggi Chen</u>	Title ▶ <u>CFO</u>		
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶			Firm's EIN ▶
	Firm's address ▶			Phone no.