

Notice of 1st Special Shareholders Meeting 2026

1. The Company's 2026 1st Special Shareholders Meeting will be held at 2F., No. 58, Shitan Rd., Neihsu Dist., Taipei City, at 9:00 A.M., on January 23, 2026 (Friday). The meeting will be open for registration from 8:30 A.M.

Agenda:

- I. Reported matters
 - (1) The Review Report by the Audit Committee of the Company on the review results of the share swap between the Company and E.SUN FHC.
 - II. Matters for Discussion
 - (1) The share swap of the Company and E.SUN FHC.
 - III. Extemporaneous Motions
2. If this shareholders' meeting includes items for convening the meeting as stipulated in Article 172 of the Company Act, the relevant information will be disclosed on Taiwan Stock Exchange Market Observation Post System. (<https://mopsplus.twse.com.tw>, Website path: [A single company] > [Electronic documents download] > [Materials related to the shareholders' meeting and annual reports]. Enter the company code or abbreviation and the year.)
 3. In accordance with Article 165 of the Company Act, the book closure period will be from December 25, 2025 to January 23, 2026.
 4. In addition to announcement on the Taiwan Stock Exchange Market Observation Post System, shareholders will be notified of this meeting via letter, which will also include an attending card and proxy form:
 - (1) If a proxy agent is to attend on behalf of the shareholder, the attending card and proxy form shall be filled out and delivered to the shareholder services agent of Horizon Securities Co., LTD no later than five days before the meeting. After the document's correctness is checked, the attending permission card will be sent to the proxy agent.
 - (2) Shareholders attending the meeting in person shall present the first part of the notification letter (Signed or sealed).
 5. Shareholders, proxy solicitors and proxy agents attending the meeting shall present identification documents to register.
 6. If there is (are) a person(s) soliciting proxy forms, the Company will compile related information and upload it to Securities & Futures Institute's website by January 7, 2026. Shareholders can access this information on the website (<https://free.sfi.org.tw>), and enter the company code 2867.
 7. Shareholders may exercise their rights electronically. The voting period will be from January 8, 2026 to January 20, 2026. Please log in to the platform of TDCC (<https://stockservices.tdcc.com.tw>) and follow the instructions to vote.
 8. The shareholder services agent of Horizon Securities Co., LTD. is responsible for the calculating and verifying the power of attorney of the proxy for this Special Shareholders Meeting.

This Notice is made in both English and Chinese. In the event of any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Best regards,

Mercuries Life Insurance Co., Ltd.

November 5, 2025
Share Swap Agreement (Execution Version)

Share Swap Agreement

E. Sun Financial Holding Company, Ltd.

Mercuries Life Insurance Co., Ltd.

November 5, 2025

Share Swap Agreement

This Share Swap Agreement ("**Agreement**") is entered into by and between E. Sun Financial Holding Company, LTD. (Unified Business No.: 70796305, "**Party A**") and Mercuries Life Insurance Co., Ltd. (Unified Business No.: 84443471, "**Party B**") as of November 5, 2025 ("**Execution Date**").

WHEREAS, Party A, E. Sun Financial Holding Company, wishes to, pursuant to the Financial Holding Company Act, the Business Mergers and Acquisitions Act, other relevant laws and regulations, and the provisions hereof, acquire all of Party B's issued and outstanding shares by way of a share swap through issuing new common shares of Party A to all shareholders of Party B as consideration ("**Transaction**" or "**Share Swap**"). Upon consummation of the Share Swap, Party B will become a wholly-owned subsidiary of Party A.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants, and agreements between the Parties, the Parties hereby enter into this Agreement and intend to comply therewith:

Article 1 Share Swap

- 1.1 The Parties agree that on the Share Swap Record Date (as defined in Article 5.2 of this Agreement), Party A shall complete the Share Swap by issuing new common shares, in accordance with the Share Swap Ratio set forth in Article 3.1 of this Agreement (or the adjusted Share Swap Ratio as provided for in Article 4 hereof, if applicable), to all shareholders of Party B in exchange for all of the issued and outstanding shares of Party B. Upon consummation of the Share Swap, Party B will become a wholly-owned subsidiary of Party A.
- 1.2 The Parties agree that the consummation of this Transaction does not require any amendment to their respective Articles of Incorporation; provided, however, that Party A may, as necessary for assisting Party B in implementing the Capital Increase Commitments and Capital Increase Plan (as defined in Article 6.1.2 of this Agreement), amend its Articles of Incorporation in accordance with applicable laws and internal rules, and such amendment shall not be bound by this Article. The Parties further agree that, prior to the Share Swap Record Date, if there is an actual need to amend their respective Articles of Incorporation, the Parties shall confer with each other, and such amendment may only be made after both Parties confirm that it will not affect the execution of this Transaction or the rights and interests of the shareholders of both Party A and Party B.

Article 2 Amounts of Capital, and Numbers and Types of Shares before the Share Swap

- 2.1 As of the Execution Date, Party A's authorized capital is NT\$200,000,000,000, divided into 20,000,000,000 common shares with a par value of NT\$10 per share; Party A's paid-in capital is NT\$161,740,000,000, divided into 16,174,000,000 common shares. Party A does not hold any treasury shares or have any other outstanding issued securities that may be converted into, exchanged for, or swapped for Party A's equity.
- 2.2 As of the Execution Date, Party B's authorized capital is NT\$95,000,000,000, divided into 9,500,000,000 common shares with a par value of NT\$10 per share; Party B's paid-in capital is NT\$58,995,010,440, divided into 5,899,501,044 common shares. Party B does not hold any treasury shares or have any other outstanding issued securities that may be converted into, exchanged for, or swapped for Party B's equity.
- 2.3 In this Transaction, the total number of shares to be transferred by Party B's shareholders to Party A shall be determined based on the actual number of common shares issued by Party B as of the Share Swap Record Date.

Article 3 Share Swap Ratio

- 3.1 The Parties agree that, upon approval of this Transaction by resolutions of the respective shareholders' meetings of Party A and Party B and upon obtaining the Approvals from the Competent Authorities (as defined in Article 6.1.2 of this Agreement), Party A shall, based on the shareholding status of each Party B shareholder as recorded in the shareholders register of Party B on the Share Swap Record Date (as defined in Article 5.2 of this Agreement), issue new common shares to all shareholders of Party B at a share swap ratio of 0.2486 Party A common shares for each Party B common share ("**Share Swap Ratio**"). The actual number of new common shares to be issued and delivered by Party A shall be calculated based on the total number of Party B common shares actually issued as of the Share Swap Record Date, adjusted in accordance with Article 4 of this Agreement, if applicable.
- 3.2 In the event that, as a result of the Share Swap, any Party B's shareholder receives any fractional share of Party A's common share that is less than one full share, such fractional share shall be settled in cash by Party A based on the closing price of Party A's common share on the last trading day prior to the Share Swap Record Date ("**Market Price**"), calculated on a pro rata basis (any amount less than NT\$1 shall be rounded to the nearest whole number in New Taiwan Dollar). In addition, Party A may authorize its Chairman or his/her designee to negotiate with a specific party to purchase such fractional shares, aggregated into whole shares, at the Market Price. In the event that any changes to the method of handing such fractional shares as prescribed in this Article are required by law

or operational needs, the Chairman of Party A or his/her designee shall have full power and authority to handle such matters.

- 3.3 Based on the Share Swap Ratio set forth in Article 3.1, following the Share Swap, Party A's authorized capital is expected to be NT\$200,000,000,000, its paid-in capital is expected to be NT\$176,406,159,600, with a par value of NT\$10 per share, and the total number of issued common shares is expected to be 17,640,615,960 shares. The actual number of new shares to be issued by Party A shall be calculated based on the total number of Party B shares actually issued as of the Share Swap Record Date, adjusted in accordance with Article 4.1 of this Agreement, if applicable.
- 3.4 The rights and obligations of the new common shares to be issued by Party A shall be identical to those of the common shares of Party A that are already issued.

Article 4 Adjustments to the Share Swap Ratio

- 4.1 The Parties agree that, from the Execution Date to the Share Swap Record Date, if either Party distributes stock dividends and/or cash dividends, the Share Swap Ratio shall be adjusted in accordance with this Article, without the need to convene a shareholders' meeting for resolution. The adjustment of the Share Swap Ratio as described above shall be calculated using the following formulas (the result of the calculation shall be rounded to the nearest fourth decimal point):

- 4.1.1 Adjustment formulas in the event of distribution of stock dividends and/or cash dividends are as follows:

- i If Party A distributes cash dividends, the Share Swap Ratio shall be adjusted according to the following formula:

$$\text{Adjusted Share Swap Ratio} = \frac{\text{Reference Price of Party B}}{\text{Reference Price of Party A} - \text{Cash Dividend per Share of Party A}}$$

- ii If Party A distributes stock dividends, the Share Swap Ratio shall be adjusted according to the following formula:

$$\text{Adjusted Share Swap Ratio} = \text{Share Swap Ratio} * \left(1 + \frac{\text{Stock Dividend per Share of Party A}}{10} \right)$$

- iii If Party B distributes cash dividends, the Share Swap Ratio shall be adjusted according to the following formula:

$$\text{Adjusted Share Swap Ratio} = \frac{\text{Reference Price of Party B} - \text{Cash Dividend per Share of Party B}}{\text{Reference Price of Party A}}$$

- iv If Party B distributes stock dividends, the Share Swap Ratio shall be adjusted according to the following formula:

$$\text{Adjusted Share Swap Ratio} = \frac{\text{Share Swap Ratio}}{1 + \frac{\text{Stock Dividend per Share of Party B}}{10}}$$

The parameters of the above formulas are defined as follows:

The reference price of Party A means the simple arithmetic average of the closing prices of Party A's common shares for the sixty (60) trading days prior to (but excluding) November 5, 2025, which is NT\$32.99.

The reference price of Party B means the reference price of Party A multiplied by the pre-adjusted Share Swap Ratio (the result of the calculation shall be rounded to the nearest second decimal point).

- 4.1.2 For the avoidance of doubt, (1) if multiple events as set forth in Article 4.1.1 of this Agreement occur simultaneously, the adjustment formulas shall be applied cumulatively. For example, if Party A resolves at the same shareholders' meeting to distribute both cash dividends and stock dividends, and the relevant record dates for cash or stock dividend distribution are both set prior to the Share Swap Record Date, the adjustment shall first be made in accordance with item (i), and then in accordance with item (ii); (2) if the record date for cash or stock dividend distribution under items (i) to (iv) of Article 4.1.1 of this Agreement falls after the Share Swap Record Date, such dividend distribution shall not be subject to adjustment of the Share Swap Ratio pursuant to the relevant provisions.
- 4.1.3 If either Party encounters any event as specified in items (i) to (iv) of Article 4.1.1 of this Agreement, it shall notify the other Party in writing of such event and the result of the adjustment within five (5) business days, and provide relevant information as reasonably requested by the other Party. Upon written confirmation by the other Party, both Parties shall make public disclosure in accordance with applicable laws and Article 8.5, and proceed in accordance with the procedures set forth in Article 4.4.
- 4.2 Each Party shall submit to its shareholders' meeting for resolution to authorize its board of directors that, during the period from the Execution Date to the Share Swap Record Date, if any of the following events ("**Adjustment Events**") occurs (unless otherwise provided in this Agreement), the other Party ("**Party Entitled to Adjust the Share Swap Ratio**") may request the former to confer, and the boards of directors of both Parties shall promptly negotiate and agree on the adjustment to the Share Swap Ratio as set forth in Article 3.1

of this Agreement. Such adjustment to the Share Swap Ratio shall be consummated within ten (10) business days after the occurrence of the Adjustment Event or within such other period as may be otherwise agreed by the Parties, without being required to convene a shareholders' meeting for resolution of such adjustment. If the Parties are unable to reach an agreement on the adjustment to the Share Swap Ratio in good faith within the aforementioned period, the Party Entitled to Adjust the Share Swap Ratio may terminate this Agreement:

- 4.2.1 Either Party acquires or disposes of its material assets or undertakes other actions that may materially affect its financial or business conditions;
- 4.2.2 Either Party conducts rights issue for cash, issues convertible bonds, distributes stock dividends, issues warrant bonds, preferred shares with warrants, warrants and/or other equity securities; provided, however, that Party A may, without being subject to this Article, directly issue new shares under the following circumstances: (1) Party A issues common shares to all shareholders of Party B in accordance with this Agreement for the purpose of consummating this Transaction; (2) Party A distributes stock dividends to its shareholders out of distributable earnings in accordance with its Articles of Incorporation, provided that the Share Swap Ratio shall be adjusted in accordance with Article 4.1; and (3) Party A allocates employee stock compensation and issues new shares in accordance with its Articles of Incorporation and internal regulations; under such circumstance, no adjustment to the Share Swap Ratio under Article 4.1 shall be required if the number of new shares to be issued for employee stock compensation does not exceed 20,000,000 shares;
- 4.2.3 The occurrence of any material force majeure event or disaster, material loss, material litigation, material change in financial or business conditions, or other events that may materially and adversely affect the rights and interests of the shareholders of Party A or Party B or the price of their securities;
- 4.2.4 Other events where it is necessary to adjust the Share Swap Ratio pursuant to laws and regulations, as instructed or approved by the competent authorities, or in order to successfully obtain the approval of the competent authorities for this Transaction (for the avoidance of doubt, in the event of any of the circumstances under this Article, both Parties shall be deemed the Party Entitled to Adjust the Share Swap Ratio);

- 4.2.5 Either Party breaches the representations and warranties under Article 7 or the undertakings under Article 8 of this Agreement, resulting in a material adverse effect on its financial or business conditions; or
- 4.2.6 The buyback of treasury shares or other lawful acquisition of its own shares by either Party; provided, however, that any buyback of shares by either Party in response to the exercise of dissenters' rights by its shareholders in connection with the Share Swap shall not be subject to this restriction.
- 4.3 The term "material" or "materially" as referred to in Article 4.2 means the circumstances where one or more events has caused or is reasonably expected to cause a negative impact on the net worth of either Party as shown in its respective consolidated or individual financial statements, and such impact results in or is reasonably expected to result in a cumulative decrease of 10% or more in the net worth as shown in such Party's 2025 financial statements (if referring to Party A, it shall mean Party A's 2025 Financial Statements as defined in Article 7.1.4 of this Agreement; if referring to Party B, it shall mean Party B's 2025 Financial Statements as defined in Article 7.2.4 of this Agreement).
- 4.4 After the adjustment to the Share Swap Ratio pursuant to Article 4, the Parties shall apply to the relevant competent authorities for, or amend, the necessary license(s) and approval(s) in accordance with applicable laws and regulations.

Article 5 Timeline of the Share Swap

- 5.1 Except as otherwise agreed in writing by the Parties, the Parties shall respectively convene a shareholders' meeting on January 23, 2026, or such other date as may be designated by the board of directors of each Party, to approve this Transaction and this Agreement in accordance with laws.
- 5.2 Where all of the conditions precedent set forth in Article 6 have been fulfilled or waived, the Share Swap shall be consummated on the share swap effective date as determined by the board of directors of each Party in accordance with laws and regulations and Article 5.3 ("**Share Swap Record Date**").
- 5.3 Within twenty (20) business days after all Approvals from the Competent Authorities as specified in Article 6.1.2 have been obtained, the board of directors of each Party and/or their authorized representatives shall confer and determine the Share Swap Record Date. In the event that the Parties fail to confer and determine the Share Swap Record Date within the aforementioned period, the thirtieth (30th) business day after Approvals from the Competent Authorities as specified in Article 6.1.2 have been obtained or completed shall be deemed the Share Swap Record Date.

- 5.4 The Parties shall conduct this Transaction in accordance with the scheduled timeline under this Agreement; provided, however, that if the procedures for the Share Swap cannot be consummated in accordance with Articles 5.2 and 5.3, the board of directors of each Party and/or their authorized representatives shall confer to amend the timeline and continue to conduct this Transaction.
- 5.5 Party B's shares shall be delisted after the consummation of this Transaction in accordance with applicable laws and regulations. Party B shall, after the Transaction is approved by a resolution of its shareholders' meeting and all other conditions precedent set forth in Article 6 have been fulfilled (or otherwise waived), apply to the Taiwan Stock Exchange Corporation ("TWSE") for delisting of its shares on the Share Swap Record Date in accordance with relevant laws and regulations.
- 5.6 The Parties shall cooperate with each other and provide all necessary documents and filing applications in order to obtain the Approvals from the Competent Authorities as specified in Article 6.1.2 as soon as possible.

Article 6 Conditions Precedent for the Share Swap

- 6.1 The consummation of this Transaction by Party A and Party B shall be subject to the fulfillment of the following conditions precedent:
- 6.1.1 The shareholders' meetings of both Party A and Party B have duly resolved to approve this Transaction and this Agreement in accordance with laws;
- 6.1.2 All necessary permits, consents, or approvals from the relevant competent authorities for this Transaction have been obtained, including but not limited to: (1) the approval by the Financial Supervisory Commission ("FSC") for this Transaction pursuant to Article 26 of the Financial Holding Company Act and Article 29 of the Business Mergers and Acquisitions Act; (2) the effective filing with the FSC for the offering and issuance of common shares by Party A in connection with this Transaction; (3) the approval by the FSC of the capital increase commitments ("**Capital Increase Commitments**"), capital increase plan ("**Capital Increase Plan**"), and the request for selective transitional measures and flexible supervisory measures submitted by Party B in accordance with the Directions for the Insurance Industry's Own Capital and Risk Capital Selective Transitional Measures (保險業自有資本與風險資本選擇性過渡措施應注意事項); (4) the approval by the TWSE for the delisting of Party B's shares on the Share Swap Record Date as a result of the consummation of this Transaction; (5) the approval by the TWSE for the listing of the common shares to be offered and issued by Party A on the Share Swap Record Date as a result of the consummation of this

Transaction; and (6) all relevant approvals or exemptions for this Transaction by the Fair Trade Commission (collectively, the "**Approvals from the Competent Authorities**");

- 6.1.3 The consummation and effectiveness of this Transaction are not restricted or prohibited by any temporary or permanent injunction or other order issued by a court of competent jurisdiction, or by any other laws or regulations; and
 - 6.1.4 The consummation of this Transaction is not materially prohibited or restricted, or rendered illegal, as a result of any laws, regulations, or rules issued, promulgated, announced, or enforced by any competent authority.
- 6.2 Party A's obligations to complete this Transaction shall be subject to the fulfillment of the following conditions precedent, unless any of such conditions precedent is otherwise waived by Party A in writing:
- 6.2.1 All of the representations and warranties of Party B are true and accurate as of the Share Swap Record Date in all material respects. However, if any individual representation or warranty contains a materiality qualification within its terms, such representation or warranty shall be true and accurate as of the Share Swap Record Date; and
 - 6.2.2 Party B has not committed any material breach of its obligations and undertakings under this Agreement.
- 6.3 Party B's obligations to complete this Transaction shall be subject to the fulfillment of the following conditions precedent, unless any of such conditions precedent is otherwise waived by Party B in writing:
- 6.3.1 All of the representations and warranties by Party A are true and accurate as of the Share Swap Record Date in all material respects. However, if any individual representation or warranty contains a materiality qualification within its terms, such representation or warranty shall be true and accurate as of the Share Swap Record Date; and
 - 6.3.2 Party A has not committed any material breach of its obligations and undertakings under this Agreement.
- 6.4 Should any of the conditions precedent set forth in Articles 6.1 to 6.3 fail to be fulfilled or waived on or prior to December 31, 2026 ("**Long Stop Date**"), this Agreement will automatically terminate on the Long Stop Date, unless the Long Stop Date is otherwise

extended by the Parties in writing after such extension is approved by resolutions of their boards of directors.

- 6.5 For the avoidance of doubt, the written waiver by the non-breaching Party (or the Party in respect of which no event of default has occurred) of any condition precedent pursuant to Article 6.2 or 6.3 at its discretion shall not constitute a limitation or prejudice to any rights or remedies to which it is entitled under this Agreement, nor shall it be deemed a waiver of the other Party's performance of any other obligations under this Agreement.

Article 7 Representations and Warranties

- 7.1 Party A hereby represents and warrants to Party B that, as of the Execution Date and the Share Swap Record Date, each of the following statements is true and accurate, provided that any matters that have been duly disclosed by Party A in accordance with the law, or disclosed in Party A's 2024 annual report or Party A's 2025 Financial Statements (as defined in Article 7.1.4 of this Agreement), or otherwise disclosed in writing (including but not limited to any electromagnetic records or emails) by Party A or any director, manager, employee, consultant, or agent of Party A to Party B prior to the Execution Date, shall be excluded:

- 7.1.1 **Incorporation and Existence:** Party A is a financial holding company duly incorporated and validly existing under the Company Act of the Republic of China, and has all necessary capacity and authority to conduct its business. Party A has obtained all necessary licenses, approvals, permits, and other certificates required for its business operations. All issued shares of Party A have been duly authorized and issued, and the subscription price for those shares has been fully paid. Party A has not issued any other securities of equity nature, nor has it issued, executed, or entered into any other options, warrants, convertible or exchangeable securities, right of first refusal, pre-emptive right, legally binding undertakings, or other instruments that entitle any person to acquire shares of Party A, except as otherwise provided in Article 4.2.2. Party A does not have any interest participation or similar contractual arrangements that would entitle any person to rights equivalent to those of holders of common shares.

- 7.1.2 **Legality and Validity of this Agreement:** The execution and performance of this Agreement by Party A do not violate (1) any current laws and regulations of the Republic of China; (2) any judgment, order, or disposition rendered by any court or competent authority; (3) the Articles of Incorporation, or any resolution of the board of directors or shareholders' meeting of Party A; or (4) any contract, agreement, representation, undertaking, warranty, guarantee, arrangement, or other obligation

legally binding on Party A. The execution and performance of this Agreement are based on legal and valid resolutions and authorizations of Party A, and this Agreement constitutes the legal and legally binding obligation of Party A, and the terms hereof are enforceable against Party A.

- 7.1.3 Approvals and Permits: The Share Swap has been approved by a resolution of Party A's board of directors. Except for the approval by a resolution of Party A's shareholders' meeting and the Approvals from the Competent Authorities as provided in Article 6.1.2, no other authorization, approval, permit, filing, or consent is required for Party A's execution and performance of this Agreement.
- 7.1.4 Financial Statements and Information: The consolidated financial statements of Party A as of June 30, 2025, reviewed by a certified public accountant ("**Party A's 2025 Financial Statements**"), have been prepared in accordance with the applicable accounting principles and, in all material respects, fairly present the financial condition of Party A and its Material Subsidiary as of the date of such financial statements. As of the date of Party A's 2025 Financial Statements, neither Party A nor its Material Subsidiary has any material liabilities (whether direct, indirect, or contingent liabilities) required to be disclosed in the consolidated financial statements of Party A in accordance with the applicable accounting principles that are not disclosed in such financial statements or the notes thereto. For the purpose of this Agreement, "**Material Subsidiary**" of Party A means E. Sun Commercial Bank, Ltd.
- 7.1.5 Assets: Party A and its Material Subsidiary have lawful ownership, usage rights, or other legal rights to the assets they use, and, except as duly disclosed pursuant to law, are not subject to any encumbrance or restriction with respect to the use, benefit, or disposition of such assets.
- 7.1.6 No Material Adverse Change: Since June 30, 2025, Party A and its Material Subsidiary have (1) maintained normal business operations; and (2) not been in violation of any laws or regulations, court judgments, orders or dispositions of any competent authority, articles of incorporation, or other relevant internal audit, internal control, or corporate governance regulations, the result of which has caused or is reasonably expected to cause a material adverse effect on their business, financial condition, property, operations, or the rights and interests of shareholders.
- 7.1.7 No Additional Material Liabilities: Except for those arising from the ordinary course of business, neither Party A nor its Material Subsidiary has, from June 30, 2025 to the Execution Date, incurred any additional liabilities, obligations,

encumbrances, or contingent liabilities that have caused or are reasonably expected to cause a material adverse effect on the business, financial condition, property, operations, or the rights and interests of shareholders of Party A or its Material Subsidiary.

- 7.1.8 Filing and Payment of Taxes: Party A and its Material Subsidiary have duly filed all taxes required to be filed by law within the statutory period and have fully paid all such taxes within the payment period. Neither Party A nor its Material Subsidiary is involved in any material delay, omission, underreporting, tax evasion, or other material violation of relevant tax laws, regulations, orders, or interpretive rulings.
- 7.1.9 Litigation and Non-Litigation Proceedings: Neither Party A nor its Material Subsidiary is involved in any pending or reasonably foreseeable lawsuit or non-litigation proceedings, the result of which may cause the dissolution of the company or a material change in its organization, capital, business plan, financial condition, suspension of operations, or has caused or is reasonably expected to cause a material adverse effect on the business, financial condition, property, operations, or the rights and interests of shareholders of Party A or its Material Subsidiary.
- 7.1.10 Labor Relations: Neither Party A nor its Material Subsidiary is involved in any material labor dispute or violation of relevant labor laws and regulations, the result of which has caused or is reasonably expected to cause a material adverse effect on its business, financial condition, property, operations, or the rights and interests of shareholders.
- 7.1.11 No Breach of Contract: Neither Party A nor its Material Subsidiary is in material default under any indenture, mortgage, trust deed, loan agreement, or other contract to which it is a party, by which it is bound, or under which its property is a subject matter.
- 7.1.12 Independent Judgment: Prior to the execution of this Agreement, Party A has conducted all necessary independent investigations and analyses, and its decision is based solely on the results of such independent investigations and analyses, the relevant terms and conditions of this Agreement, and the representations and warranties made by Party B under Article 7.2 of this Agreement.
- 7.2 Party B hereby represents and warrants to Party A that, as of the Execution Date and the Share Swap Record Date, each of the following statements is true and accurate, except for those matters that have been duly disclosed by Party B pursuant to law, disclosed in Party B's 2024 annual report or Party B's 2025 Financial Statements (as defined in Article 7.2.4

of this Agreement), or disclosed in writing (including but not limited to any electromagnetic records or emails) by Party B or any director, manager, employee, consultant, or agent of Party A to Party B prior to the Execution Date (including but not limited to those disclosed during the due diligence process), shall be excluded:

- 7.2.1 **Incorporation and Existence:** Party B is a life insurance company duly incorporated and validly existing under the Company Act of the Republic of China, and has all necessary capacity and authority to conduct its business, and has obtained all necessary licenses, approvals, permits, and other certificates to conduct its operations. All issued shares of Party B have been duly authorized and issued, and the subscription price for those shares has been fully paid. Party B has not issued any other securities of equity nature, nor has it issued, executed, or entered into any options, warrants, convertible or exchangeable securities, rights of first refusal, pre-emptive rights, legally binding undertakings, or any other arrangements that entitle any person to acquire shares of Party B. Party B does not have any interest participation or similar contractual arrangements that would entitle any person to rights equivalent to those of holders of common shares of Party B.
- 7.2.2 **Legality and Validity of this Agreement:** The execution and performance of this Agreement by Party B do not violate (1) any current laws and regulations of the Republic of China; (2) any judgments, orders, or dispositions rendered by any court or competent authority; (3) the Articles of Incorporation, or any resolution of the board of directors or shareholders' meeting of Party B; or (4) any contract, agreement, representation, undertaking, promise, warranty, security, arrangement, or other obligation that is legally binding on Party B. The execution and performance of this Agreement are based on legal and valid resolutions and authorizations of Party B, and this Agreement constitutes a legal and legally binding obligation of Party B, and the terms of this Agreement are enforceable against Party B.
- 7.2.3 **Approvals and Permits:** The Share Swap has been approved by a resolution of Party B's board of directors. Except for the approval of Party B's shareholders' meeting and the Approvals from the Competent Authorities as provided in Article 6.1.2, no other authorization, approval, permit, filing, or consent is required for Party B to execute and perform this Agreement.
- 7.2.4 **Financial Statements and Information:** The individual financial statements of Party B as of June 30, 2025, reviewed by a certified public accountant ("**Party B's 2025 Financial Statements**"), and the financial statements of Party B prior to the Share Swap, as provided to Party A, have been prepared in accordance with the applicable

accounting principles and, in all material respects, fairly present the financial condition of Party B as of the date of such financial statements. As of the date of Party B's 2025 Financial Statements, Party B does not have any material liabilities (whether direct, indirect, or contingent liabilities) required to be disclosed in the financial statements of Party B in accordance with the applicable accounting principles that are not disclosed in such financial statements or the notes thereto.

- 7.2.5 Assets: Party B has lawful ownership, usage rights, or other legal rights to the assets it uses, and the use, benefit, or disposition of such assets is not subject to any encumbrance or restriction.
- 7.2.6 No Material Adverse Change: Since June 30, 2025, Party B have (1) maintained normal business operations; and (2) not been in violation of any laws or regulations, court judgments, orders or dispositions of any competent authority, Party B's articles of incorporation, or other relevant internal audit, internal control, or corporate governance regulations, the result of which has caused or is reasonably expected to cause a material adverse effect on its business, financial condition, property, operations, or the rights and interests of shareholders.
- 7.2.7 Legal Compliance: Except as disclosed by Party B during the due diligence process, Party B has not violated any applicable laws or regulations that would have a material adverse effect on its business or operations; and, to Party B's knowledge, there are no circumstances that would cause Party B to violate any applicable laws or regulations that would have a material adverse effect on its business or operations.
- 7.2.8 Contracts and Commitments: All material contracts, agreements, representations, guarantees, covenants, or other material obligations, encumbrances, restrictions, or any material adverse interests (including but not limited to those presented in any electromagnetic records or emails) (collectively, "**Material Obligations**") disclosed and/or provided by Party B to Party A during the due diligence process are true and accurate in all material respects, and there are no Material Obligations that have not been disclosed and/or provided to Party A. All material contracts disclosed and/or provided by Party B to Party A during the due diligence process are valid and legally binding.
- 7.2.9 No Additional Material Liabilities: Except for those arising from the ordinary course of business, Party B has not, from June 30, 2025 to the Execution Date, incurred any additional liabilities, obligations, encumbrances, or contingent liabilities that have caused or are reasonably expected to cause a material adverse

effect on the business, financial condition, property, operations, or the rights and interests of shareholders of Party B.

- 7.2.10 Filing and Payment of Taxes: Party B has duly filed all taxes required to be filed by law within the statutory period and has fully paid all such taxes within the payment period. Party B is not involved in any material delay, omission, underreporting, tax evasion, or other material violation of relevant tax laws, regulations, orders, or interpretive rulings.
- 7.2.11 Litigation and Non-Litigation Proceedings: Party B is not involved in any pending or reasonably foreseeable lawsuit or non-litigation proceedings, the result of which may cause the dissolution of the company or a material change in its organization, capital, business plan, financial condition, suspension of operations, or has caused or is reasonably expected to cause a material adverse effect on the business, financial condition, property, operations, or the rights and interests of shareholders of Party B.
- 7.2.12 Labor Relations: (1) Party B is not involved in any material labor dispute, violation of relevant labor laws and regulations, disposition by the labor competent authority, strike, or stoppage, the result of which has caused or is reasonably expected to cause a material adverse effect on its business, financial condition, property, operations, or the rights and interests of shareholders; (2) as of the Execution Date (excluding the Share Swap Record Date), Party B is not a party to any collective agreement, nor has it entered into any labor contract with any labor union or labor organization; and (3) except for the employee placement plan (or similar arrangements) proposed or committed for the purpose of obtaining Approvals from the Competent Authorities and mutually agreed in writing by both Parties, as specified in Article 10 regarding employee rights protection, Party B has not made any promise or provided any preferential treatment (as defined below) to its employees or managers. The term "preferential treatment" refers to any payment or benefit that Party B's employees or managers may claim as a result of the consummation of this Transaction due to a change of control or early termination or rescission of any engagement/employment contract (including but not limited to any measures or plans that are more favorable than those required by labor-related laws and regulations, collective agreements, or other similar arrangement concerning the protection of employee rights and interests).
- 7.2.13 No Breach of Contract: Party B is not in material default under any indenture, mortgage, trust deed, loan agreement, or other contract to which it is a party, by which it is bound, or under which its property is a subject matter.

- 7.2.14 Related Party Transactions: All related party transactions or similar arrangements (including but not limited to transfer pricing and other transactions such as purchase, sale, lease, investment, service, or operation) conducted between Party B and its current directors, managers, or major shareholders have complied with relevant laws and regulations and are at arm's length.
- 7.2.15 Intellectual Property Rights: All trademarks, service marks, domain names, patents, copyrights, and computer software currently used by Party B and necessary and material to its operations are either owned by Party B or Party B has lawful rights to use them. There is no infringement by Party B of others' rights, nor has Party B's rights been infringed or misappropriated by others, nor is there any pending litigation or dispute that has caused or is reasonably expected to cause a material adverse effect on Party B.
- 7.2.16 Insurance: Party B has obtained insurances for its assets and operations as required by applicable laws or industry practice, and all relevant insurance policies are valid. There is no overdue claims to be filed with the relevant insurance companies or refusals of claims by insurance companies, the result of which has caused or is reasonably expected to cause a material adverse effect on its business, financial condition, property, operations, or the rights and interests of shareholders.
- 7.2.17 Independent Judgment: Prior to the execution of this Agreement, Party B has completed all necessary independent investigations and analyses, and its determination of the execution of this Agreement is only based on the results of such independent investigations and analyses, the terms and conditions contained in this Agreement, and the representations and warranties made by Party A under Article 7.1 of this Agreement.
- 7.3 The term "material" as referred to in Article 7 of this Agreement means the circumstances have caused, or can reasonably be expected to cause, a negative impact on the net worth as shown in Party A's consolidated financial statements or Party B's individual financial statements, where such negative impact, when compared to the net worth as shown in Party A's 2025 Financial Statements or Party B's 2025 Financial Statements, as the case may be, has resulted in, or can reasonably be expected to result in, a decrease of 10% or more.

Article 8 Undertakings

- 8.1 Party A undertakes to Party B that, during the period from the Execution Date to the Share Swap Record Date, it shall continue its operation in compliance with the ordinary course of business, and without the prior written consent of Party B, neither Party A nor its

Material Subsidiary may engage in any of the following activities:

- 8.1.1 Resolve to increase capital, issue new shares, issue employee stock option warrants, convertible bonds, stock option warrant bonds, preferred shares with stock option warrants, depositary receipts, warrants, or any other securities of equity nature, other than those required for this Transaction or for normal business operations, except as otherwise provided in Article 4.2.2.
- 8.1.2 Except for the repurchases of the shares held by the shareholders raising objection against this Transaction pursuant to the laws and regulations and Article 9 of this Agreement, directly or indirectly repurchase its issued and outstanding shares or equity securities on its own or through any third party, conduct capital reduction, resolve on dissolution or liquidation, or file for reorganization, settlement or bankruptcy.
- 8.1.3 Negotiate or execute any agreement with any third party any of the following matters involving more than 10% of the net book value as shown in Party A's 2025 Financial Statements or the individual financial statements of its Material Subsidiary as of June 30, 2025 (as applicable): (1) any merger, share exchange, or material strategic alliance agreements; (2) any execution of, amendment to or termination of any agreements regarding the lease of all of the businesses, mandate of management or regular joint operation with any third party; (3) any assignment of all or the major part of the businesses or properties to any third party; (4) any assumption of all businesses or properties of any third party; or (5) any contract, agreement, other undertaking, letter of intent, or memorandum with effects similar to (1) to (4) above.
- 8.1.4 Execute any such agreement or make any such material undertaking involving more than 1% of the net book value as shown in Party A's 2025 Financial Statements or the individual financial statements of its Material Subsidiary as of June 30, 2025 (as applicable), with the exception of those arising from transactions conducted in accordance with industry customary practices or in the normal course of business (including but not limited to entering into contracts to acquire real estate intended for use as office premises).
- 8.1.5 Except as required for normal business operations, to waive, renounce, or relinquish any of its rights, or fail to exercise any of its validly existing rights or benefits involving more than NT\$50,000,000 or enter into any settlement with any third party regarding any controversy, dispute or litigation or engaging in any other acts unfavorable to itself involving more than NT\$50,000,000.

- 8.1.6 Increase payrolls, benefits, or other interests of its employees (including managers, directors, and consultants engaged by the company), or unduly employ a massive number of employees; provided, however, annual promotions and salary adjustments for its employees in accordance with the existing employee promotion and salary adjustment policies or the existing operation practice shall not be subject to this restriction.
- 8.1.7 Any act or omission reasonably expected to make (1) the representations and warranties under Article 7 of this Agreement untrue or inaccurate; (2) essential changes to its business; or (3) the conditions precedent set forth in Article 6 of this Agreement unable to be fulfilled.
- 8.1.8 Any acquisition or disposal (including but not limited to the creation of any security interest) of any assets in the amount of more than 1% of the net book value as shown in Party A's 2025 Financial Statements or the individual financial statements of its Material Subsidiary as of June 30, 2025 (as applicable); provided, however, that this restriction shall not apply to financial industry fund utilization conducted in accordance with applicable laws or transactions arising from the conduct of normal business operations.
- 8.2 Party A undertakes that, from Execution Date to the Share Swap Record Date, Party A and its Material Subsidiary shall comply with the following matters:
 - 8.2.1 Maintain normal business operations and customary business practices, and operate its business with the duty of care of a prudent administrator.
 - 8.2.2 Subject to relevant laws and regulations or orders that Party A or its Material Subsidiary shall conform to, notify Party B promptly after it becomes aware of any material or potentially order or disposition issued by the competent authority, any litigation, arbitration, non-litigation, administrative remedy, claim, investigation, or legal proceeding, in which it is a party or an informed party, and which is material and may affect the Share Swap.
 - 8.2.3 Immediately notify Party B in the event of any breach of any representation or warranty made by Party A or its Material Subsidiary under this Agreement, or any failure to perform any undertaking made by Party A or its Material Subsidiary under this Agreement.
 - 8.2.4 Immediately notify Party B if any circumstance specified in Article 4 of this Agreement occurs that may result in an adjustment to the Share Swap Ratio.
 - 8.2.5 Conduct all legal procedures required for this Transaction as soon as practicable

in good faith, including the procedures of applying for Approvals from the Competent Authorities or obtaining approvals from other competent authorities.

8.3 Party B undertakes to Party A that, during the period from the Execution Date to the Share Swap Record Date, it shall continue its operations in compliance with the normal practice, and without the prior written consent of Party A, Party B shall not engage in any of the following activities:

8.3.1 Resolve to issue new shares, distribute dividends, issue employee stock option warrants, convertible bonds, stock option warrant bonds, preferred shares with stock option warrants, depositary receipts, stock option warrants or any other equity securities, or incur new debt exceeding NT\$150,000,000 or issue equity securities of a capital nature exceeding the aforementioned amount; provided, however, that the incurrence of new debt or issuance of equity securities of a capital nature by Party B for the purpose of fulfilling the Capital Increase Commitments and Capital Increase Plan shall not be subject to this restriction.

8.3.2 Except for the repurchases of the shares held by the shareholders raising objection against this Transaction pursuant to the laws and regulations and Article 9 of this Agreement, directly or indirectly repurchase its issued and outstanding shares or equity securities on its own or through any third party, conduct capital reduction, resolve on dissolution or liquidation, or file for reorganization, settlement or bankruptcy.

8.3.3 Negotiate or execute any agreement with any third party any of the following matters: (1) any merger, share exchange or material strategic alliance agreements; (2) any execution of, amendment to or termination of any agreements regarding the lease of all of the businesses, mandate of management or regular joint operation with any third party; (3) any assignment of all or the major part of the businesses or properties to any third party; (4) any assumption of all businesses or properties of any third party; (5) any contracts for outsourcing, commission, contracting, leasing, licensing, or employment that cannot be terminated or cancelled in advance, or for which early termination or cancellation would result in compensation exceeding NT\$50,000,000; or (6) any contract, agreement, other undertaking, letter of intent, or memorandum with effects similar to (1) to (5) above.

8.3.4 Execute any agreement with any third party involving an amount exceeding NT\$50,000,000, or make any such material undertaking.

8.3.5 (1) Waive, renounce or relinquish any of its rights, or fail to exercise any of its

validly existing rights or benefits involving more than NT\$50,000,000, or enter into any settlement with any third party regarding any controversy, dispute or litigation or engage in any other acts unfavorable to itself involving more than NT\$50,000,000. (2) With respect to litigation or mediation disclosed by Party B during due diligence relating to minimum wage for part-time employees or the nature of sales personnel labor contracts, regardless of the amount involved, Party B shall not settle, withdraw, or otherwise act to its detriment in such proceedings with the counterparty without Party A's prior written consent; if, after the Execution Date, any new litigation of the specific labor nature referred to in (2) of this Article arises, Party B shall immediately notify Party A and this provision shall apply.

- 8.3.6 (1) Amend the company's work rules for employees; (2) increase payrolls, benefits, or other interests of employees (including managers, directors, and consultants engaged by the company), including but not limited to increasing wages, salaries, compensation, bonuses, payrolls, benefits, awards, employee warrants, employee insurance, pensions, severance plans, or other employee benefits; or commit or undertake to commit to any increase in employee benefits; (3) unduly employ a massive number of employees; or (4) newly appoint managers. However, annual promotions and salary adjustments in accordance with existing employee promotion and salary adjustment policies, actions required by law or within reasonable scope according to existing practice, or renewal of existing appointment/employment contracts upon expiration or entering into new contracts with the same terms for extension, shall not be subject to this restriction.
- 8.3.7 Any act or omission reasonably expected to make (1) the representations and warranties under Article 7 untrue or inaccurate; (2) essential changes to its business; or (3) the conditions precedent set forth in Article 6 unable to be fulfilled.
- 8.3.8 Any acquisition or disposal (including, without limitation, acquisition or disposal of real estate, right-of-use assets, and creation of security interests, etc.) of any assets in an amount of more than 1% of the net book value as shown in Party B's 2025 Financial Statements, or provide any guarantee or endorsement to any third party.
- 8.3.9 Change accounting methods or accounting policies, except where such change is made in response to changes to relevant accounting principles.
- 8.3.10 Lend funds to shareholders or third parties, except for policy loans to policyholder and real estate secured loans handled in accordance with applicable laws and internal regulations.

- 8.3.11 Terminate or cease operation of part or all of its business, or conduct mass layoffs of employees, or implement any non-existing early retirement or preferential retirement plan.
- 8.3.12 Reopen its accounting books in accordance with applicable laws and re-estimate, provide, or reclassify amounts related to relevant assets and liabilities. For the avoidance of doubt, if Party B has legally convened a board of directors meeting and passed a resolution regarding the reopening of its accounting books prior to the Execution Date, Party B may implement such resolution accordingly. However, if Party A has reasonable opinions or suggestions regarding the implementation, Party B shall discuss with Party A in good faith and make modifications or adjustments.
- 8.3.13 Any submission to the FSC of a Capital Increase Commitments, Capital Increase Plan, application for optional transitional measures, flexible regulatory measures, or other applications of a similar nature in accordance with the Directions for the Insurance Industry's Own Capital and Risk Capital Selective Transitional Measures (保險業自有資本與風險資本選擇性過渡措施應注意事項), and its content and presentation, shall be subject to the prior written consent of Party A. The same requirement for prior written consent of Party A shall apply to any subsequent addition, deletion, amendment, withdrawal, or revocation of such applications after submission.
- 8.3.14 Enter into any collective agreement, or conclude any labor contract with a labor union or labor organization.
- 8.4 Party B undertakes that, from Execution Date to the Share Swap Record Date, Party B shall comply with or perform the following matters:
 - 8.4.1 Maintain normal business operations and customary business practices, and operate its business with the duty of care of a prudent administrator.
 - 8.4.2 Subject to relevant laws and regulations or orders that Party B shall conform to, notify Party A promptly after it becomes aware of any material or potentially order or disposition issued by the competent authority, any litigation, arbitration, non-litigation, administrative remedy, claim, investigation, or legal proceeding, in which it is a party or an informed party, and which is material and may affect the Share Swap.
 - 8.4.3 Immediately notify Party A in the event of any breach of any representation or warranty made by it under this Agreement, or any failure to perform any undertaking made by it under this Agreement.

- 8.4.4 Immediately notify Party A if any circumstance specified in Article 4 of this Agreement occurs that may result in an adjustment to the Share Swap Ratio.
- 8.4.5 Conduct all legal procedures required for this Transaction as soon as practicable in good faith, including the procedures of applying for Approvals from the Competent Authorities or obtaining approvals from other competent authorities.
- 8.5 Prior to any Party releasing, disclosing, or announcing any information related to this Agreement or the Share Swap, the prior written consent from the other Party (which shall not be unreasonably withheld or delayed) must be obtained; provided, however, that (1) this restriction shall not apply if the release, disclosure, or announcement of such information is made in accordance with applicable laws or as required by the TWSE, but the Party intending to release, disclose, or announce such information shall use its commercially reasonable efforts to confirm the accuracy of the information with the other Party prior to such disclosure; and (2) this restriction shall also not apply to any disclosure or announcement made by either Party to its employees for the purpose of explaining matters related to the protection of employee rights and interests in connection with this Transaction.
- 8.6 The Parties shall use their best commercially reasonable efforts to obtain the Approvals from the Competent Authorities under terms agreed upon by both Parties, and to avoid the inclusion of any conditions not agreed to by either Party as additional conditions for the application for such approval. However, if the competent authority involved in granting such approval imposes any condition not agreed to by either Party as an additional condition for the issuance of the Approvals from the Competent Authorities, both Parties shall use their best commercially reasonable efforts to negotiate, in accordance with relevant laws and regulations and prior to the Long Stop Date (as defined in Article 6.4 of this Agreement), other lawful and reasonable feasible solutions with respect to the relevant aspects of operations, business, finance, legal compliance, human resources, etc., based on the best interests of the shareholders and stakeholders of each company. In addition, both Parties shall act in good faith in performing and fulfilling the undertakings under the Capital Increase Commitments and the Capital Increase Plan in accordance with this Article, in order to obtain Approvals from the Competent Authorities and facilitate the completion of this Transaction.
- 8.7 The Parties agree that, after the Execution Date and in the spirit of good faith, they shall promptly establish a transitional working group and arrange for the implementation details (including but not limited to the composition of members, which shall consist of representatives appointed by each Party in any number, the meeting schedule, and the manner of discussion and resolution, etc.) to plan matters related to Party B's operations,

investment management, human resources planning, information exchange, accounting books reopening strategies, submission of optional transitional measures, flexible regulatory measures or similar applications, execution of this Transaction, or performance of this Agreement. If Party B convenes a board of directors meeting, Party B shall also provide the relevant minutes of the board of directors meeting to the members of Party A in the transitional working group within fourteen (14) calendar days after the board of directors meeting.

Article 9 Treatment of Dissenting Shares

If any of the shareholders of either Party objects to the Share Swap and requests for repurchase of his/her/its shares in accordance with relevant laws, such Party shall repurchase the shares held by such dissenting shareholder pursuant to relevant laws and regulations. The shares repurchased under this Article shall be sold or cancelled in accordance with relevant laws and regulations.

Article 10 Protection of Rights and Interests of Party B's Employees

Party A undertakes to use commercially reasonable efforts to propose an employee placement plan for Party B's employees, so that the FSC may approve this Transaction in accordance with the relevant laws and regulations. The employee placement plan shall include, but not be limited to, Party A's undertaking that, after the Share Swap Record Date and in accordance with the Labor Standards Act and other relevant laws and regulations, Party A will ensure that, for a period of three (3) years from the Share Swap Record Date: (1) all employees of Party B will continue to be retained ("**Retained Employees**"), except for those employees of Party B who, in accordance with personnel rules and relevant laws and regulations, are subject to demotion, downgrade, termination of employment, contractual, or appointment relationships; (2) the original employment conditions of Party B's Retained Employees will be maintained after the Share Swap Record Date; and (3) retention bonuses will be granted to the Retained Employees. For the avoidance of doubt, the term "Party B's employees" as used in this Article does not include managers authorized to sign on behalf of Party B, or persons holding similar positions or titles, who, in accordance with relevant laws and regulations or Party B's internal rules, shall be approved and appointed by the board of directors.

Article 11 Appointment of Directors after the Share Swap

Party A may appoint all of Party B's directors (including independent directors) on the Share Swap Record Date in accordance with Article 128-1 of the Company Act and Paragraph 2 of Article 15 of the Financial Holding Company Act. Any existing directors of Party B who is not appointed by Party A will be discharged from the board automatically.

Article 12 Event of Default

- 12.1 In the event of any failure to perform or breach of any obligations, undertakings, representations or warrants under this Agreement, where such non-performance or breach may be curable in nature, it constitutes an event of default under this Agreement if the defaulting Party, upon requested by the non-defaulting Party to cure with such non-performance or breach within a reasonable period a written notice, fails to cure such non-performance or breach within a reasonable period set forth in such notice.
- 12.2 In case of any occurrence of any event of default that prevents the Transaction from being consummated on or prior to the Long Stop Date, the non-defaulting Party may claim the necessary fees and expenses arising from or in connection with the preparation of this Agreement and the performance of the Transaction against the defaulting Party, in addition to the rights, remedies, damages and termination or rescission of this Agreement that the non-defaulting Party may seek as permitted by law.

Article 13 Termination

- 13.1 This Agreement may be terminated prior to the consummation of this Transaction upon:
- 13.1.1 Mutual written consent of the Parties;
 - 13.1.2 Automatic termination under Article 6.4 of this Agreement; or
 - 13.1.3 Breach or non-performance by either Party of its representations, warranties or undertakings under this Agreement, and where such breach or non-performance (1) will prevent the conditions precedent contained in Article 6 of this Agreement from being satisfied; (2) is not able or fails to be remedied within a reasonable period of time upon written notice of such breach or non-performance; and (3) is not waived by the non-defaulting Party, the non-defaulting Party may terminate this Agreement by giving written notice to the defaulting party.
- 13.2 Unless otherwise expressly agreed by the Parties, after the termination of this Agreement, other rights and obligations of the Parties under this Agreement shall cease forthwith; provided, however, that Articles 13.2, 14 and 15 shall survive the termination of this Agreement. In addition, the termination of this Agreement shall not affect the rights and obligations that either Party has had under this Agreement upon such termination. Unless otherwise provided by laws and regulations, each Party shall return to the other Party all of the documents, information, files, articles, plans, trade secrets and other tangible information obtained pursuant to this Agreement; provided, however, that copies of such documents or relevant information may be retained to the necessary extent required for compliance with the relevant laws and regulations.

Article 14 Taxes and Expenses

Unless otherwise provided in this Agreement, all taxes and expenses arising out of or in connection with the negotiation, execution or performance of this Agreement (including but not limited to fees of attorney, accountant and other advisor as well as taxes payable by either Party or its shareholders in accordance with laws) shall be borne by the Parties and/or their shareholders, respectively.

Article 15 Miscellaneous

- 15.1 The interpretation, validity and performance of this Agreement shall be governed by the laws of the Republic of China. Any matters not covered in this Agreement shall be conducted in accordance with relevant laws and regulations.
- 15.2 Should any provisions of this Agreement be in conflict with any relevant laws and/or regulations, only such provisions shall be rendered null and void, with other provisions of this Agreement remaining in full force and effect. In case that any terms of the Agreement as instructed by the competent authorities or required under the amendment of laws or regulations or the necessity to reflect the facts shall be amended, the chairmen of the Parties can carry out the amendment directly pursuant to the laws or regulations or the instructions of relevant competent authorities, or the Parties can authorize their boards of directors to discuss and determine such amendments based on relevant actual needs and in good faith, without being approved by the shareholders meetings of the Parties.
- 15.3 Any and all disputes arising from this Agreement between the Parties shall first be resolved via amicable negotiation. Such amicable negotiation shall commence within seven (7) business days after either Party submits a written request for negotiation. If no agreement is reached within thirty (30) business days after the commencement of such negotiation and litigation is required, both Parties agree that the Intellectual Property and Commercial Court shall be the court of first instance with jurisdiction.
- 15.4 Unless otherwise agreed in writing by the Parties, the Parties agree that any oral or written discussion, agreement, arrangement or undertaking with respect to this Transaction between the Parties prior to the execution of this Agreement shall be superseded by this Agreement and thus rendered null and void. The headings of each articles of this Agreement are used for convenience and reference only and may not be used to construe the content of such articles of this Agreement.
- 15.5 Any amendment or change to this Agreement shall only be made upon the written consent of the Parties.
- 15.6 Without the prior written consent of the other Party, neither Party may assign all or part

of the rights under this Agreement to any third party, nor may any third party assume all or part of the obligations under this Agreement.

- 15.7 Neither Party that is prevented from or delays in performing the obligations under this Agreement due to any court judgment or order, order or disposition of the relevant competent authorities, war, hostility, blockade, riot, revolution, nuclear disaster, fire, typhoon, earthquake, tsunami, plague, flood or other events not attributable to either Party or force majeure or other events with similar effect ("**Force Majeure**") shall be liable to the other Party. Notwithstanding the foregoing, such Party shall notify the other Party of the occurrence of a Force Majeure event within five (5) calendar days after it becomes aware of such occurrence. This does not exempt any Party from continuing to perform its obligations under this Agreement as soon as possible after such Force Majeure event ends.
- 15.8 Unless otherwise provided in relevant laws or regulations, or except as required by the performance of this Agreement or by the orders issued by the court or competent authority, or unless otherwise provided in this Agreement, the Parties agree to keep in strict confidence any and all documents, information, files, articles, plans, trade secrets and other tangible and intangible information which is confidential in nature and transmitted by or obtained from the other Party prior to the Share Swap Record Date for the purpose of this Transaction, which shall not be distributed, divulged or provided to any third party in any manner or form without the prior written consent of the other Party. The confidentiality obligation provided in Article 15.8 of this Agreement shall remain effective and unchanged to the maximum extent permitted by law if this Agreement ceases to exist due to its rescission, cancellation, termination or any other reasons.
- 15.9 For any notice under this Agreement to be effective, it shall be made in writing and served to the addresses as follows or the address notified by the other Party in the manner provided herein by dual registered postal delivery or personal delivery:

Party A : E. Sun Financial Holding Company, Ltd.

Representative : Joseph N.C. Huang

Address : 14F., No. 117 and 1F., No.115, Sec. 3, Min Sheng E. Road, Songshan Dist., Taipei City, Taiwan (the Republic of China)

Party B : Mercuries Life Insurance Co., Ltd.

Representative : Chau Shi Wong (copy to Chin Hsin Hsu (Vice Chairman))

Address : 1F., No. 58, Shitan Road., Neihu Dist., Taipei City, Taiwan (the Republic of China)

- 15.10 The attachments hereto shall constitute part of this Agreement and have the same effect as this Agreement.
- 15.11 This Agreement is made in duplicate, with each Party retaining one counterpart for record.
- 15.12 This Agreement shall take effect after being executed and delivered by the Parties.

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E. Sun Financial Holding Company, Ltd.

Mercuries Life Insurance Co., Ltd.

Representative: Chairman
Joseph N.C. Huang

Representative: Chairman
Chau Shi Wong

Mercuries Life Insurance Co., Ltd.

Review Report of the Audit Committee

With respect to the Share Swap between the Company and E.SUN Financial Holding Co., Ltd., the Audit Committee has reviewed the share swap plan and the fairness and reasonableness of the transaction and deemed them to be appropriate at the 4th special meeting of the 6th Audit Committee on November 5, 2025. The report is hereby prepared in accordance with the Article 6 of the Business Mergers and Acquisitions Act.

Best regards.

Mercuries Life Insurance Co., Ltd 2026 1st Special Shareholders Meeting.
(Ordinary Shares)

Convener of the Audit Committee: Henry Yang
November 5, 2025

Yuan He CPAs

**Opinion on the Reasonableness of the Swap Price
in the Merger & Acquisition and Share Swap of
Mercuries Life Insurance Co., Ltd. and E.SUN
Financial Holding Co., Ltd.**

CPA JUAN, CHIUNG-HUA

CPA Certificate No.: Tai-Tsai-Cheng-Teng (Six) No. 2719

Address: 12F.-1, No.25, Sec. 3, Ren'ai Rd., Da'an Dist., Taipei City

Tel.: (02)2370-6189

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Opinion on the Reasonableness of the Swap Price in the Merger & Acquisition and Share Swap of Mercuries Life Insurance Co., Ltd. and E.SUN Financial Holding Co., Ltd.

Summary of the Opinion

- I. Client: Mercuries Life Insurance Co., Ltd. (hereinafter referred to as “Mercuries Life Insurance”).
- II. Valuation target: Mercuries Life Insurance Co., Ltd. (stock code: 2867)
- III. Entrusted content: Mercuries Life Insurance planned to submit a proposal at its board meeting on November 5, 2025, to implement a merger and acquisition (M&A) and share swap with E.SUN Financial Holding Co., Ltd. (hereinafter referred to “E.SUN Financial Holding”). The CPA hereby issues an opinion on the reasonableness of the swap price of Mercuries Life Insurance in accordance with the provisions of the *Business Mergers and Acquisitions Act*, *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*, *Valuation Standards of the Republic of China* and *Practical Guidelines for Experts’ Issuance of Opinions*. The opinion will be used by the audit committee and board of directors of Mercuries Life Insurance and its parent company Mercuries & Associates Holding, Ltd. (including the subsidiaries thereof) for valuation reference, and shall not be used for other purposes.
- IV. Laws and regulations used as basis: Article 6 of the *Business Mergers and Acquisitions Act*, Article 23 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*, as well as *Valuation Standards of the Republic of China* and *Practical Guidelines for Experts’ Issuance of Opinions*.
- V. Valuation purpose: Transaction.
- VI. Value standard and premise:
- (1) Value standard: Market value.
 - (2) Value premise: The highest and the best use.
- VII. Date of value: November 5, 2025.
- VIII. Assumptions, limiting conditions, and material uncertainties of valuation:
- (1) The conclusion set forth in the Opinion shall only be valid for the aforesaid valuation purpose and date of value.
 - (2) It is the responsibility of the management of the respective companies to prepare the financial statements and other relevant data of Mercuries Life Insurance and E.SUN Financial Holding used in the Opinion. We only conduct evaluation by referring to the financial statements and

relevant data provided by Mercuries Life Insurance and E.SUN Financial Holding and haven't performed any independent verification or review of the overall authenticity, integrity and accuracy of the aforesaid information provided by the Client, but fully rely on such information in all material aspects. The CPA has also not audited such information in accordance with the Generally Accepted Auditing Standards.

- (3) Different basic assumptions or different dates of value used under different valuation purposes will have a material impact on the value of the valuation target and report content, and the results valued by different valuation professionals also differ. Our firm will issue an opinion on the reasonableness of the swap price of Mercuries Life Insurance using the currently generally accepted valuation method and process, while the CPA hasn't provided any guarantee on the transaction price. Our firm has conducted the valuation based on the assumption of the going concern of the companies.
- (4) The CPA has performed a reasonableness assessment on the information available on a public market and confirmed the reliability and appropriateness of the source thereof in accordance with the provisions of Article 7 of Valuation Standards No. 11 "Enterprise Valuation" published by the Accounting Research and Development Foundation. However, based on the entrusted scope, the CPA hasn't verified the aforesaid information according to the Generally Accepted Auditing Standards, or performed an assurance procedure according to Assurance Standards No. 1 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" published by the Accounting Research and Development Foundation. As a result, we cannot provide any level of assurance on the correctness or appropriateness of such information.
- (5) After the delivery of this report, unless otherwise further entrusted by Mercuries Life Insurance, our firm shall not be responsible for updating the valuation report or the value conclusion. This report and conclusion therein shall only be used for the purpose of this evaluation, and shall not be used for any other purposes. Furthermore, without the consent of Mercuries Life Insurance or our firm, the content of this report shall not be duplicated or transferred to a third party by any means.
- (6) After the completion of the valuation report, the valuation staff shall not be obligated to appear before the court to provide expert opinion or attend relevant meetings as a nonvoting party. In case of relevant needs, the two parties must reach negotiated consensus in advance. Additionally, since our firm is not a professional legal entity, we cannot make any judgements on any lawsuits that may affect the value from the perspective of professional lawyers. If a

legal matter is materially significant, readers of this report shall consult qualified legal advisors.

IX. Valuation process:

(1) Definition and confirmation of the valuation tasks

1. Confirm the valuated assets, valuation purpose and valuation basis.
2. Assess whether the valuation can be completed in a reasonable manner.
3. Sign a letter of confirmation of the valuation tasks and the two parties' rights and obligations.

(2) Investigation and collection of relevant information

1. Internal information: Finance, business operations, product, financial forecasts, and other relevant information;
2. External information: Macroeconomy, industry, capital market, laws and regulations, and other relevant information.
3. Information of market peers.

(3) Analysis of information collected:

1. Past operation or usage results.
2. Current operation or usage status.
3. Industry, macroeconomic environment, and laws and regulations.

(4) Value assessment

1. Select an appropriate valuation method.
2. Decide on the valuation parameters according to industry analysis information.
3. Consider and reflect the economic environment factors.
4. Integrate the information above, propose value conclusion, and inspect the reasonableness of this conclusion.

(5) Report writing and communication

1. Prepare the first draft of the written report.
2. Communicate and explain the results of the report.
3. Prepare a formal written report.

X. Basis for forming the opinion and conclusion thereof: In consideration of quantifiable financial data and objective market information, the CPA has conducted the assessment using the fair market price method and the market approach, and performed recalculations considering the financial data and objective market information as well as non-quantifiable premium/discount rates. The price per share of Mercuries Life Insurance falls in the range of NT\$6.74-NT\$8.58, while that of E.SUN Financial Holding falls in the range of NT\$27.60-NT\$32.47. The reasonable range of the

swap ratio between Mercuries Life Insurance and E.SUN Financial Holding is 1 ordinary share of Mercuries Life Insurance swapped to 0.2077-0.3107 ordinary shares of E.SUN Financial Holding. The expected swap ratio is 1 ordinary share of Mercuries Life Insurance swapped to 0.2486 ordinary shares of E.SUN Financial Holding, which is deemed to be reasonable.

CPA: JUAN, CHIUNG-HUA

License No.: Tai-Tsai-Cheng-Teng (Six) No. 2719

November 5, 2025

Independent Expert's Statement

The CPA issues a valuation opinion in accordance with the *Business Mergers and Acquisitions Act*, *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*, and *Practical Guidelines for Experts' Issuance of Opinions* and with reference to the Valuation Standards of the Republic of China or relevant self-disciplined regulations of the CPA association. The CPA hereby states that:

- I. The opinion issued and the source of data, parameters, and information used in the working procedures are complete, accurate, and reasonable and are used as the basis for issuing the opinion.
- II. The CPA has confirmed his/her qualification under Paragraph 1, Article 5 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies* and prudently assessed his/her own professional capabilities, practical experience and independence prior to accepting this case pursuant to Subparagraph 1, Paragraph 2, Article 5 of the said regulations.
- III. The CPA has appropriately planned and executed adequate working procedures when executing this case, in order to produce a conclusion and use the conclusion as the basis for issuing an opinion, and has fully and accurately specified the related working procedures, data collected, and the conclusion in the case working papers.
- IV. The CPA is not a related party or de facto related party of the party to this case, professional appraiser or appraisal officer issuing the opinion as prescribed in Subparagraphs 2 and 3, Paragraph 1, Article 5 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies* and has no involvement in the following:
 - (1) The CPA or his/her spouse is currently engaged by the party to this case to perform regular work, receive a fixed salary, or serve as a director or supervisor.
 - (2) The CPA or his/her spouse once served as a director, supervisor, managerial officer or an employee of the party to this case who has a significant influence on this case, and was dismissed or resigned within the past two years.
 - (3) The company where the CPA or his/her spouse works is a related party of the party to this case.
 - (4) The CPA has a spousal relationship or second degree of kinship with a director, supervisor, managerial officer or an employee of the party to this case who has a significant influence on this case.
 - (5) The CPA or his/her spouse has significant investor relations or shares financial interests with the party to this case.
- V. No contingent compensation is involved, and neither the opinion or the conclusion is predetermined in this case.

Yuan He CPAs
CPA JUAN, CHIUNG-HUA
November 5, 2025

Opinion on the Reasonableness of the Swap Price in the Merger & Acquisition and Share Swap of Mercuries Life Insurance Co., Ltd. and E.SUN Financial Holding Co., Ltd.

Text of the Opinion

1. Entrusted Content

I. Entrusted Target

Mercuries Life Insurance Co., Ltd. (hereinafter referred to as “Mercuries Life Insurance”) planned to sign a share swap contract with E.SUN Financial Holding. Pursuant to the share swap arrangement, E.SUN Financial Holding will issue ordinary shares to the shareholders of the Company as consideration for the acquisition of 100% equity of Mercuries Life Insurance (hereinafter referred to as the “Share Swap Case”). Following the completion of the Share Swap Case, Mercuries Life Insurance will become a wholly-owned subsidiary of E.SUN Financial Holding. The CPA has been entrusted to issue an opinion on the reasonableness of the swap value, with November 5, 2025 as the date of value.

II. Value Premise

The value premise refers to an assumption made regarding possible scenarios that may affect the value of the valuation target, including the first-level premise for use, swap or defense, as well as the respective premises at lower levels (e.g., value premises at three different levels, namely, premise of single or combined use, premise of current usage or changed usage, and premise of on-site or off-site use under the premise of use.

Since Mercuries Life Insurance becomes a wholly-owned subsidiary of E.SUN Financial Holding after share swap therewith, the value premise adopted in the Opinion is the premise of the highest and best use.

III. Selection of Value Standards

The value standards for valuation may be classified into fair market value, equitable value, investment value, synergistic value, and liquidation value according to Valuation Standards No. 4 “Valuation Process Standards”, as described respectively below:

(1) Fair Market Value

Fair market value refers to the estimated amount of an asset or liability exchanged by a buyer and a seller on the date of value who are willing to conduct the transaction prudently without compulsion and fully understand relevant matters through appropriate marketing activities given a regular transaction. The fair market value of the asset will reflect its highest and best use. The highest

and best use may be the asset's current use or other usage. This depends on the expectation of the market participants for the use of this asset upon the formation of a price they are willing to offer. When a valuer adopts fair market value as the value standard, enterprise-specific factors that are not available to general market participants shall be excluded. The enterprise-specific factors usually include:

1. Additional value derived from existing or newly-added similar asset portfolios.
2. Synergies between the asset and other assets of the enterprise when the asset is valued individually.
3. Statutory rights or restrictions.
4. Tax interests or burdens.
5. The enterprise's unique capability to apply assets.

(2) Equitable Value

Equitable value refers to the estimated price of an asset or liability transferred by two specific transacting parties who are willing to conduct the transaction and fully understand relevant facts. This price has reflected the interests of these two parties.

(3) Investment Value

Investment value refers to the value of an asset held by a specific owner (or expected owner) for an individual investment or operation purpose. This value standard reflects the interests acquirable by the owner for holding this asset.

(4) Synergistic Value

Synergistic value refers to the combined value of two or more assets or equity, and it is usually greater than the sum of the value of individual assets or equity. If the synergy is only acquirable by specific buyers, the synergistic value will reflect the value of the specific properties of an asset toward a specific buyer.

(5) Liquidation Value

Liquidation value refers to an amount that would be realized upon a required sale of an enterprise or asset (i.e., without continuing operations or usage). To estimate the liquidation value, it shall be taken into account the costs required to make the asset reach a marketable condition as well as cost of disposal. The liquidation value may be determined based on either of the following value premises:

1. Orderly liquidation: A scenario where disposal is required within a reasonable marketing period.
2. Forced sale: A scenario where disposal is required within a short marketing period.

In accordance with the purpose of the Opinion, the fair market value is determined as the value

standard. Fair market value refers to the estimated amount of an asset or liability exchanged by a buyer and a seller on the date of value who are willing to conduct the transaction prudently without compulsion and fully understand relevant matters through appropriate marketing activities given a regular transaction.

IV. Assumptions and Limiting Conditions

- (1) The conclusion set forth in the Opinion shall only be valid for the aforesaid valuation purpose and date of value.
- (2) It is the responsibility of the management of the respective companies to prepare the financial statements and other relevant data of Mercuries Life Insurance and E.SUN Financial Holding used in the Opinion. We only conduct evaluation by referring to the financial statements and relevant data provided by Mercuries Life Insurance and E.SUN Financial Holding and haven't performed any independent verification or review of the overall authenticity, integrity and accuracy of the aforesaid information provided by the Client, but fully rely on such information in all material aspects. The CPA has also not audited such information in accordance with the Generally Accepted Auditing Standards.
- (3) Different basic assumptions or different dates of value used under different valuation purposes will have a material impact on the value of the valuation target and report content, and the results valued by different valuation professionals also differ. Our firm will issue an opinion on the reasonableness of the swap price of Mercuries Life Insurance using the currently generally accepted valuation method and process, while the CPA hasn't provided any guarantee on the transaction price. Our firm has conducted the valuation based on the assumption of the going concern of the companies.
- (4) The CPA has performed a reasonableness assessment on the information available on a public market and confirmed the reliability and appropriateness of the source thereof in accordance with the provisions of Article 7 of Valuation Standards No. 11 "Enterprise Valuation" published by the Accounting Research and Development Foundation. However, based on the entrusted scope, the CPA hasn't verified the aforesaid information according to the Generally Accepted Auditing Standards, or performed an assurance procedure according to Assurance Standards No. 1 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" published by the Accounting Research and Development Foundation. As a result, we cannot provide any level of assurance on the correctness or appropriateness of such information.

- (5) After the delivery of this report, unless otherwise further entrusted by Mercuries Life Insurance, our firm shall not be responsible for updating the valuation report or the value conclusion. This report and conclusion therein shall only be used for the purpose of this evaluation, and shall not be used for any other purposes. Furthermore, without the consent of Mercuries Life Insurance or our firm, the content of this report shall not be duplicated or transferred to a third party by any means.
- (6) After the completion of the valuation report, the valuation staff shall not be obligated to appear before the court to provide expert opinion or attend relevant meetings as a nonvoting party. In case of relevant needs, the two parties must reach negotiated consensus in advance. Additionally, since our firm is not a professional legal entity, we cannot make any judgements on any lawsuits that may affect the value from the perspective of professional lawyers. If a legal matter is materially significant, readers of this report shall consult qualified legal advisors.

V. Valuation Process

- (1) Definition and confirmation of the valuation tasks
1. Confirm the valuated assets, valuation purpose and valuation basis.
 2. Assess whether the valuation can be completed in a reasonable manner.
 3. Sign a letter of confirmation of the valuation tasks and the two parties' rights and obligations.
- (2) Investigation and collection of relevant information
1. Internal information: Finance, business operations, product, financial forecasts, and other relevant information;
 2. External information: Macroeconomy, industry, capital market, laws and regulations, and other relevant information.
 3. Information of market peers.
- (3) Analysis of information collected:
1. Past operation or usage results.
 2. Current operation or usage status.
 3. Future expectations.
- (4) Value assessment
1. Select an appropriate valuation method.
 2. Decide on the valuation parameters according to industry analysis information.
 3. Consider and reflect the economic environment factors.

4. Integrate the information above, propose value conclusion, and inspect the reasonableness of this conclusion.

(5) Report writing and communication

1. Prepare the first draft of the written report.
2. Communicate and explain the results of the report.
3. Prepare a formal written report.

VI. Main Information Sources Used in Valuation Process

- (1) Mercuries Life Insurance's financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements as of June 30, 2025 as audited and certified by CPA.
- (2) E.SUN Financial Holding's financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements as of June 30, 2025 as audited and certified by CPA.
- (3) Price-earnings ratios and price-to-book ratios of government bonds and stocks listed on the Taiwan Stock Exchange and Taipei Exchange.
- (4) Information of financial statements and monthly operating revenue on the MOPS.
- (5) Yahoo Finance.

2. Overview of Target Companies

I. Mercuries Life Insurance Co., Ltd.

(1) Corporate registration data

Founded in June 1993, Mercuries Life Insurance Co., Ltd. mainly operates life insurance businesses, with business contents including personal and group insurance policies of life insurance, health insurance, accident insurance, annuity insurance, universal insurance, and investment insurance products. The company stock was initially listed on the Taiwan Stock Exchange in December 2012, with registration information as follows:

Total capital (NT\$)	95,000,000,000	Amount per share (NT\$)	10
Paid-in capital (NT\$)	56,995,010,440	Total number of shares issued	5,699,501,044
Name of representative	WENG, CHAO-HSI	Approved date of establishment	June 12, 1993
Registered address	1F, No. 58, Shitan Rd., Neihsu Dist., Taipei City		
Business information	H501011 Personal Insurance		
Shareholder information	Title	Shareholder/Legal person represented	Number of shares held
	Chairman	WENG, CHAO-HSI /Mercuries & Associates Holding, Ltd.	1,796,519,880
	Vice Chairman	Hsu, Chin-Hsin /Mercuries & Associates Holding, Ltd.	1,796,519,880
	Director	Chen, Shiang-Li	0
	Director	Tsai, Yong-Yi /Mercuries & Associates Holding, Ltd.	1,796,519,880
	Director	WENG, WEI-CHUN /Mercuries & Associates Holding, Ltd.	1,796,519,880
	Director	Cheng, Chun-Nong	0
	Director	Wang, Chih-Hua	1,140,253
	Independent Director	Kuo, Wei-Yu	0
	Independent Director	Tu, Te-Cheng	0
	Independent Director	Henry Yang	0
	Independent Director	Liou, Han-Tzong	0

Date source: Department of Commerce, Ministry of Economic Affairs (last browsing date: October 29, 2025)

(2) Main products of the Company

Category of main product	Main product items
Personal life insurance	Whole-life insurance, foreign currency whole-life insurance, whole life insurance, foreign currency whole life insurance, term life insurance, interest sensitivity increasing whole life insurance, foreign currency interest sensitivity increasing whole life insurance, interest sensitivity endowment insurance, interest sensitivity whole-life insurance, and foreign currency interest sensitivity whole-life insurance
Personal health insurance	Hospital medical insurance, cancer insurance, whole-life health insurance, surgical health insurance, specific injury/disease health insurance, critical disease health insurance, long-term care insurance, foreign currency health insurance, and critical illness health insurance
Personal accident insurance	Personal accident insurance, travel accident insurance, and Internet accident insurance
Personal annuity insurance	Immediate life annuity insurance, interest sensitivity annuity insurance, and deferred life annuity insurance
Investment insurance	Variable annuity insurance, foreign currency variable annuity insurance, variable life insurance, foreign currency variable life insurance, variable universal life insurance, and foreign currency variable universal life insurance
Group insurance	Group 1-year term life insurance, group health insurance, group accident insurance, group occupational hazards insurance, student group insurance, group hospital & surgical insurance, and group interest sensitivity annuity insurance

Data source: 2024 Annual Report of Mercuries Life Insurance on MOPS (last browsing date: October 29, 2025)

(3) Financial Position Statement

	December 31, 2022		December 31, 2023		December 31, 2024		Unit: NT\$1,000 June 30, 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Cash and cash equivalents	47,827,361	3%	61,359,378	4%	29,137,616	2%	57,457,694	4%
Accounts receivables	9,920,626	1%	11,124,019	1%	11,464,430	1%	11,788,276	1%
Financial assets at fair value through profit or loss	79,014,992	5%	115,637,806	8%	146,862,103	9%	146,483,401	9%
Financial assets at fair value through other comprehensive income	44,175,492	3%	3,307,427	0%	11,227,152	1%	10,616,554	1%
Financial assets at amortized cost	1,000,833,858	69%	1,013,469,832	67%	1,016,366,006	62%	919,840,453	60%
Investments under equity method, net	5,189,087	0%	3,723,204	0%	3,702,280	0%	3,589,027	0%
Investment property, net	18,854,567	1%	18,823,614	1%	20,510,371	1%	20,737,130	1%
Loans	69,256,218	5%	67,896,478	4%	66,162,331	4%	64,705,387	4%
Reinsurance contract assets	2,204,688	0%	2,550,530	0%	3,713,228	0%	3,563,686	0%
Property and equipment, net	10,772,359	1%	10,714,230	1%	10,060,612	1%	9,957,552	1%
Right-of-use assets	172,917	0%	342,486	0%	621,174	0%	581,161	0%
Intangible assets, net	172,861	0%	174,332	0%	144,194	0%	98,945	0%
Current income tax assets	727,255	0%	1,021,915	0%	834,795	0%	932,030	0%
Deferred tax assets	15,777,331	1%	20,535,187	1%	28,951,795	2%	19,960,924	1%
Other assets	10,331,685	1%	14,115,879	1%	63,871,328	4%	67,199,435	4%
Separate account assets for unit-linked products	143,001,896	10%	177,007,560	12%	211,513,255	13%	208,168,131	14%
Total assets	1,458,233,193	100%	1,521,803,877	100%	1,625,142,670	100%	1,545,679,786	100%
Liabilities and equity								
Accounts payable	4,882,678	0%	6,873,520	0%	9,249,549	0%	8,434,383	1%
Financial liabilities at fair value through profit or loss	3,389,686	0%	62,114	0%	13,954,361	1%	1,483,064	0%
Bonds payable	8,500,000	1%	8,500,000	1%	11,000,000	1%	12,440,000	1%
Lease liabilities	174,634	0%	342,983	0%	628,251	0%	582,227	0%
Insurance liabilities	1,251,677,922	86%	1,270,237,501	83%	1,308,510,764	80%	1,255,916,436	81%
Reserves for fluctuation of foreign exchange	7,380,760	1%	3,269,656	0%	12,284,671	1%	17,449,592	1%
Provisions	737,091	0%	592,450	0%	308,219	0%	287,615	0%
Deferred income tax liabilities	7,037,265	0%	9,357,670	1%	15,498,271	1%	6,373,066	0%
Other liabilities	2,603,009	0%	5,619,456	0%	768,552	0%	3,621,510	0%
Separate account liabilities for unit-linked products	143,001,896	10%	177,007,560	12%	211,513,255	13%	208,168,131	14%
Total liabilities	1,429,384,941	98%	1,481,862,910	97%	1,583,715,893	97%	1,514,756,024	98%
Equity								
Capital stock	40,995,011	3%	50,995,011	3%	56,995,011	4%	56,995,011	4%
Capital surplus	349,659	0%	34,474	0%	31,876	0%	0	0%
Retained earnings	4,323,501	0%	(9,916,874)	0%	(9,645,940)	-1%	(10,303,195)	-1%
Other equity	(16,819,919)	-1%	(1,171,644)	0%	(5,954,170)	0%	(15,768,054)	-1%
Total equity	28,848,252	2%	39,940,967	3%	41,426,777	3%	30,923,762	2%
Total liabilities and equity	1,458,233,193	100%	1,521,803,877	100%	1,625,142,670	100%	1,545,679,786	100%

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

Yuan He CPAs (YuanHeCpa)

12F.-1, No.25, Sec. 3, Ren'ai Rd., Da'an Dist., Taipei City

Tel.:886 2 2370 6189

(4) Income Statement

	2022		2023		2024		Unit: NT\$1,000 Jan.-Jun. 2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue								
Retained earned premium	79,867,390	73%	73,993,051	60%	71,042,465	52%	34,291,894	174%
Commissions on reinsurance ceded	44,631	0%	98,394	0%	91,634	0%	17,849	0%
Fee income	2,564,506	2%	2,968,302	2%	3,506,451	3%	2,116,106	11%
Investment gain or loss, net	26,616,236	25%	30,618,629	25%	44,156,366	32%	(21,296,071)	-108%
Other operating income	34,360	0%	60,537	0%	102,787	0%	24,168	0%
Separate account revenue for unit-linked products	519,967	0%	15,533,843	13%	17,946,884	13%	4,587,004	23%
Total operating revenue	109,647,090	100%	123,272,756	100%	136,846,587	100%	19,740,950	100%
Operating costs								
Retained insurance claims and benefits incurred	90,985,803	83%	92,002,406	75%	85,620,864	63%	40,575,324	206%
Other insurance liabilities movements	22,550,576	21%	17,542,088	14%	21,688,050	16%	(30,648,013)	-155%
Underwriting expenses	30,728	0%	30,878	0%	28,832	0%	13,521	0%
Commission expense	5,639,225	6%	5,792,483	5%	5,824,075	5%	2,982,232	15%
Other operating costs	520,402	0%	595,485	0%	739,238	1%	433,200	2%
Separate account expense for unit-linked products	519,967	0%	15,533,843	13%	17,946,884	13%	4,587,004	23%
Total operating cost	120,246,701	110%	131,497,183	107%	131,847,943	98%	17,943,268	91%
Operating expenses	4,744,023	4%	4,787,302	4%	4,995,218	3%	2,508,351	13%
Operating income (loss)	(15,343,634)	-14%	(13,011,729)	-11%	3,426	-1%	(710,669)	-4%
Non-operating income and expenses	285,958	0%	75,744	0%	(282,967)	0%	(20,475)	0%
Profit (loss) from continuing operations before tax	(15,057,676)	-13%	(12,935,985)	-11%	(279,541)	-1%	(731,144)	-4%
Income tax (profit) expense	(1,398,874)	-1%	(3,419,996)	-3%	(2,454,914)	-2%	(71,339)	0%
Profit (loss)	(13,658,802)	-12%	(9,515,989)	-8%	2,175,373	1%	(659,805)	-4%
Other comprehensive income	(7,798,567)	-7%	15,557,220	13%	(4,673,365)	-3%	(9,811,334)	-50%
Total comprehensive income	(21,457,369)	-20%	6,041,231	5%	(2,497,992)	-2%	(10,471,139)	-54%
Basic earnings per share	-4.34		-2.11		0.42		-0.12	

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

(5) Statements of Cash Flows

Unit: NT\$1,000

	2022	2023	2024	Jan.-Jun. 2025
Cash flows from (used in) operating activities				
Current net profit before tax	(15,057,676)	(12,935,985)	(279,541)	(731,144)
Adjustments to reconcile profit (loss)				
Depreciation and amortization expenses	489,767	505,981	515,539	259,343
Net gain or loss on financial assets or liabilities at fair value through profit or loss	67,822,759	946,716	31,430,486	(13,833,611)
Net gain or loss on financial assets or liabilities at fair value through other comprehensive income	283,405	(13,645)	(76,613)	(16,669)
Net gain or loss arising from derecognition of financial assets measured at amortized cost	(2,026,181)	322,931	284,660	(56,596)
Share of profit or loss of associates and joint ventures accounted for using the equity method	(218,440)	(33,836)	16,527	7,652
Interest expense	400,056	402,192	509,257	310,887
Interest income	(34,794,244)	(36,674,379)	(37,740,689)	(18,742,209)
Net change in insurance liabilities	22,839,386	17,868,122	22,105,159	(30,461,178)
Net change in reserve for fluctuation of foreign exchange movement	6,969,055	(4,111,104)	9,015,015	4,329,630
Expected credit losses or reversal of expected credit losses	790,092	(76,745)	135,269	66,415
Gain or loss reclassified by applying overlay approach	(3,221,236)	10,512,215	(4,600,310)	(10,014,557)
Gain or loss on disposal of investment properties	(1,292,975)	(2,608)	631	556
Unrealized foreign exchange gain or loss	(85,481,172)	(1,690,837)	(53,627,125)	77,513,962
Others	(43,861)	(1,233,894)	70,190	(234,033)
Changes in operating assets and liabilities	(57,718,625)	(44,283,042)	(37,128,448)	(23,873,620)
Cash outflow generated from operations	(100,259,890)	(70,497,918)	(69,369,993)	(15,475,172)
Interest paid	(421,763)	(402,192)	(486,202)	(69,856)
Interest received	31,128,213	27,641,999	23,670,203	15,192,185
Dividends received	3,565,379	3,683,221	4,613,555	2,829,218
Income tax paid (refund)	(601,466)	(466,300)	196,591	(122,490)
Net cash flows used in operating activities	<u>(66,589,527)</u>	<u>(40,041,190)</u>	<u>(41,375,846)</u>	<u>2,353,885</u>
Cash flows from investing activities				
(Acquisition) disposal of financial assets measured at fair value through other comprehensive income	(4,276,956)	215,702	(8,198,391)	(141,050)
(Acquisition) disposal of financial assets at amortized cost	4,402,323	41,411,984	15,283,984	19,652,812
(Acquisition) disposal of investments accounted for using the equity method	(2,182,500)	2,755,553	0	0
(Purchasing) disposal of property and equipment	(93,086)	(184,186)	(58,019)	(13,345)
Decrease (increase) in refundable deposits	789,462	177,562	(887,676)	719,874
Acquisition of intangible assets	(144,408)	(94,760)	(68,279)	(5,956)
(Acquisition) disposal of investment properties	8,225,329	39,528	(108,285)	(2,285)
Decrease in loans	1,248,753	1,392,986	1,801,782	1,479,238
Net cash flows from investing activities	<u>7,968,917</u>	<u>45,714,369</u>	<u>7,765,116</u>	<u>21,689,288</u>
Cash flows from financing activities				
Proceeds from issuing bonds	0	0	2,500,000	1,440,000
Payment of lease liabilities	(187,117)	(185,414)	(184,587)	(102,470)
Increase (decrease) in guarantee deposits received	724,787	3,019,252	(4,856,445)	2,939,375
Proceeds from capital increase in cash	8,726,000	5,025,000	3,930,000	0
Cash inflows (outflows) from financing activities	<u>9,263,670</u>	<u>7,858,838</u>	<u>1,388,968</u>	<u>4,276,905</u>
Increased (decreased) amount of current cash and cash equivalents	<u>(49,356,940)</u>	<u>13,532,017</u>	<u>(32,221,762)</u>	<u>28,320,078</u>
Cash and cash equivalents at beginning of period	<u>97,184,301</u>	<u>47,827,361</u>	<u>61,359,378</u>	<u>29,137,616</u>
Cash and cash equivalents at end of period	<u>47,827,361</u>	<u>61,359,378</u>	<u>29,137,616</u>	<u>57,457,694</u>

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

II. E.SUN Financial Holding Co., Ltd.

(1) Corporate registration data

Established in January 2002, E.SUN Financial Holding Co., Ltd. is mainly engaged in business management and investments in financial-related businesses. The investment scope includes banking, credit card, trust, insurance, securities, futures, venture capital, and other financial-related business recognized by the competent authority. The main subsidiaries include E.SUN Bank, E.SUN Securities, and E.SUN Venture Capital. The sub-subsidiaries held through E.SUN Bank include E.SUN Bank (China), Union Commercial Bank Plc., BankPro E-Service Technology Co., Ltd., etc.; the sub-subsidiaries held through E.SUN Securities include E.SUN Investment Consulting Co., Ltd. The company stock was initially listed on the Taiwan Stock Exchange in January 2002, with registration information as follows:

Total capital (NT\$)	200,000,000,000	Amount per share (NT\$)	10
Paid-in capital (NT\$)	161,740,000,000	Total number of shares issued	16,174,000,000
Name of representative	Joseph N.C. Huang	Approved date of establishment	January 28, 2002
Registered address	1F., No.115 and 14F., No.117, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City		
Business information	H801011 Financial Holding Company		
Shareholder information	Title	Shareholder/Legal person represented	Number of shares held
	Chairman	Joseph N.C. Huang/E.SUN Foundation	24,588,555
	Director	Mai, Kuan-Cheng/Hsin Tung Yang Co., Ltd.	80,845,083
	Director	Cheng, Wei-Han/Fu Yuen Investment Co., Ltd.	64,143,433
	Director	Wu, Chien-Li/Sunlit Motors Company Limited	74,147,230
	Director	Chen, Mei-Man	4,977,520
	Director	Chen, Mao-Chin	2,735,048
	Director	Lin, Lung-Cheng	1,198,947
	Independent Director	Chang, Jih-Yen	0
	Independent Director	Huang, Chun-Yao	0
	Independent Director	Tsai, Ying-Hsin	0
	Independent Director	Chiu, Huang-Chang	0
	Independent Director	Hsiao, Jui-Lin	0

Data source: Department of Commerce, Ministry of Economic Affairs (last browsing date: November 1, 2025)

(2) Financial Position Statement

Unit: NT\$1,000

	December 31, 2022		December 31, 2023		December 31, 2024		June 30, 2025	
Assets	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Cash and cash equivalents, due from the Central bank and call loans to other banks	229,133,958	6%	262,166,138	7%	328,449,633	8%	372,639,151	9%
Financial assets at fair value through profit or loss	360,749,273	10%	251,426,462	7%	282,624,694	7%	260,847,064	6%
Financial assets at fair value through other comprehensive income	347,716,866	10%	360,384,015	10%	384,646,204	9%	349,814,440	8%
Investment in debt instruments at amortized cost	401,405,743	12%	475,610,677	13%	484,231,582	12%	495,034,840	12%
Securities purchased under resell agreements	7,881,831	0%	8,097,297	0%	29,266,642	1%	25,116,882	1%
Receivables, net	125,988,674	4%	141,356,313	4%	157,731,477	4%	148,758,542	4%
Discounts and loans, net	1,934,791,917	56%	2,063,180,999	57%	2,311,873,258	57%	2,419,773,112	58%
Other financial assets, net	4,920,274	0%	5,443,226	0%	11,603,150	0%	9,491,737	0%
Property and equipment, net	34,708,732	1%	34,665,848	1%	34,419,584	1%	34,217,533	1%
Right-of-use assets, net	7,143,707	0%	7,342,717	0%	7,195,102	0%	7,839,834	0%
Investment property, net	1,830,028	0%	1,752,737	0%	1,331,490	0%	1,248,866	0%
Intangible assets	6,109,490	0%	6,284,027	0%	6,612,127	0%	6,594,629	0%
Deferred tax assets	3,418,268	0%	3,204,981	0%	3,187,118	0%	3,555,661	0%
Other assets, net	13,761,713	1%	17,582,063	1%	25,064,516	1%	31,827,044	1%
Total assets	3,479,560,474	100%	3,638,497,500	100%	4,068,236,577	100%	4,166,759,335	100%
Liabilities and equity								
Deposits from the Central bank and other banks	72,514,434	2%	45,468,695	1%	80,524,089	2%	56,531,680	1%
Financial liabilities at fair value through profit or loss	89,569,651	3%	87,559,558	3%	92,053,439	3%	92,982,985	2%
Securities sold under repurchase agreements	18,495,295	1%	24,678,722	1%	38,258,144	1%	34,391,937	1%
Commercial paper issued, net	1,739,403	0%	9,091,916	0%	24,706,650	1%	17,185,979	1%
Payables	37,486,918	1%	43,078,614	1%	49,545,944	1%	71,328,851	2%
Current tax liabilities	1,895,233	0%	2,178,297	0%	2,848,292	0%	4,211,285	0%
Deposits and remittances	2,902,599,406	83%	3,021,047,051	83%	3,344,612,917	82%	3,459,202,768	83%
Bonds payable	43,850,000	1%	48,250,000	2%	47,450,000	1%	49,060,000	1%
Other borrowings	3,500,491	0%	382,216	0%	337,737	0%	308,052	0%
Other financial liabilities	99,337,181	3%	108,218,914	3%	120,468,433	3%	118,227,235	3%
Provisions	1,114,461	0%	1,104,884	0%	1,035,171	0%	1,049,877	0%
Lease liabilities	4,303,812	0%	4,617,337	0%	4,542,312	0%	5,186,482	0%

Yuan He CPAs (YuanHeCpa)
 12F.-1, No.25, Sec. 3, Ren'ai Rd., Da'an Dist., Taipei City
 Tel.:886 2 2370 6189

Deferred income tax liabilities	1,895,421	0%	2,366,315	0%	3,228,060	0%	2,565,416	0%
Other liabilities	4,167,814	0%	4,031,134	0%	5,152,032	0%	6,090,250	0%
Total liabilities	3,282,469,520	94%	3,402,073,653	94%	3,814,763,220	94%	3,918,322,797	94%
Equity								
Capital stock	142,751,000	4%	156,640,000	4%	159,958,000	4%	161,740,000	4%
Capital surplus	26,070,164	1%	34,800,497	1%	35,089,397	1%	35,432,297	1%
Retained earnings	33,472,219	1%	46,786,129	1%	52,685,546	1%	48,671,299	1%
Other equity	(5,367,107)	0%	(1,978,946)	0%	5,559,039	0%	2,421,701	0%
Non-controlling interests	164,678	0%	176,167	0%	182,375	0%	171,241	0%
Total equity	197,090,954	6%	236,423,847	6%	253,474,357	6%	248,436,538	6%
Total liabilities and equity	3,479,560,474	100%	3,638,497,500	100%	4,068,237,577	100%	4,166,759,335	100%

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

(3) Income Statement

Unit: NT\$1,000

	2022		2023		2024		Jan.-Jun. 2025	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Interest revenue	53,853,990	98%	84,436,464	127%	100,215,518	132%	52,053,313	121%
Interest expense	(24,235,627)	-44%	(55,336,285)	-83%	(66,218,071)	-87%	(32,851,917)	-76%
Net interest income	29,618,363	54%	29,100,179	44%	33,997,447	45%	19,201,396	45%
Net revenues and gains other than interest								
Service fee and commission income, net	19,279,510	35%	21,518,021	32%	28,158,844	37%	14,183,627	33%
Gains on financial assets at fair value through profit or loss	3,355,794	6%	14,421,132	22%	9,544,777	13%	7,160,377	17%
Realized gains on financial assets at fair value through other comprehensive income	1,484,231	3%	1,254,070	2%	1,825,404	2%	1,429,376	3%
Share of profit or loss of subsidiaries and affiliated enterprises and joint ventures recognized by equity method	0	0%	0	0%	0	0%	0	0%
Foreign exchange gains, net	903,319	2%	192,344	0%	1,747,564	2%	959,000	2%
Other noninterest gains, net	164,702	0%	209,825	0%	870,509	1%	186,477	0%
Net net revenue	54,805,919	100%	66,695,571	100%	76,144,545	100%	43,120,253	100%
Bad-debt expenses and provision for losses on commitments and guarantees	(2,076,541)	-4%	(2,681,784)	-4%	(4,146,556)	-6%	(2,022,256)	-5%
Operating expenses	(32,826,180)	-60%	(37,501,776)	-56%	(39,738,650)	-52%	(20,672,507)	-48%
Income before tax	19,903,198	36%	26,512,011	40%	32,259,339	42%	20,425,490	47%
Income tax expense	(4,121,857)	-7%	(4,764,244)	-7%	(6,110,615)	-8%	(3,649,672)	-8%
Net income for the period	15,781,341	29%	21,747,767	33%	26,148,724	34%	16,775,818	39%
Other comprehensive income (loss) for the period, net of income tax	(4,722,290)	-9%	3,543,746	5%	9,245,853	12%	(3,125,410)	-7%
Total comprehensive income	11,059,051	20%	25,291,513	38%	35,394,577	46%	13,650,408	32%
Net income attributable to: owners of ESFHC	15,759,000		21,726,249		26,148,724		16,770,432	
Basic earnings per share	1.06		1.38		1.63		1.04	
Diluted earnings per share	1.06		1.38		1.63		1.04	

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

(4) Cash Flow Statement

Unit: NT\$1,000

	2022	2023	2024	Jan.-Jun. 2025
Cash flows from operating activities				
Income before income tax	19,903,198	26,512,011	32,259,339	20,425,490
Adjustments for:				
Depreciation and amortization expenses	3,769,340	3,889,085	3,763,998	1,871,165
Expected credit losses/bad-debt expenses	2,107,950	2,753,486	4,178,003	1,977,304
Interest expense	24,235,627	55,336,285	66,218,071	32,851,917
Interest revenue	(53,853,990)	(84,436,464)	(100,215,518)	(52,053,313)
Dividend income	(1,423,492)	(1,010,347)	(1,163,564)	(800,158)
Gain on financial assets and liabilities at fair value through profit or loss	(3,355,794)	(14,421,132)	(9,544,777)	(7,160,377)
Others	363,642	766,174	(373,414)	(102,948)
Changes in assets and liabilities related to operating activities	27,726,036	(18,830,035)	34,799,610	(13,485,202)
Cash generated from (used in) operations	19,472,517	(29,440,937)	29,921,748	(16,476,122)
Interest paid	(21,551,022)	(53,788,120)	(65,673,290)	(33,438,057)
Interest received	52,625,546	83,955,132	99,781,893	55,281,620
Dividends received	1,522,753	1,149,238	1,285,513	325,392
Income tax paid	(3,956,370)	(4,330,355)	(6,021,732)	(2,723,560)
Net cash generated from operating activities	48,113,424	(2,455,042)	59,294,132	2,969,273
Cash flows from investing activities				
(Acquisition) disposal of property and equipment	(2,722,801)	(2,373,434)	(1,653,982)	(1,230,368)
Increase in refundable deposits	(7,282,532)	(3,697,574)	(5,768,396)	(6,856,971)
Payments for intangible assets	(316,624)	(360,187)	(396,556)	(118,074)
(Increase) decrease in settlement fund	(13,755)	6,067	(26,448)	10,137
(Increase) decrease in other assets	(1,729)	(2,671)	719,461	(3,457)
Net cash used in investing activities	(10,337,441)	(6,427,799)	(7,125,921)	(8,198,733)
Cash flows from financing activities				
Increase (decrease) in short-term borrowings	2,382,393	(3,154,872)	(32,118)	0
Decrease in due to the Central bank and other banks	(14,021,010)	0	0	0
Increase (decrease) in commercial papers issued	(3,050,000)	7,360,000	15,630,000	(7,532,000)
Issuance (repayments) of corporate bonds	(1,100,000)	3,000,000	(200,000)	9,800,000
Issuance (repayments) of bank debentures	3,580,000	1,400,000	(600,000)	(8,190,000)
Repayments of long-term borrowings	(11,495)	(8,908)	(36,248)	0
Increase (decrease) in guarantee deposits received	5,249,187	(4,783,105)	2,270,466	186,561
Changes in other liabilities	(1,125,426)	408,951	(2,544,857)	(655,458)
Proceeds from issuance of shares	0	16,000,000	0	0
Cash dividends paid	(8,965,689)	(2,867,953)	(18,812,967)	0
Net cash generated from (used in) financing activities	(17,062,040)	17,354,113	(4,325,724)	(6,390,897)
Effects of exchange rate changes on cash and cash equivalents	(9,676,069)	1,117,493	(9,067,852)	14,322,575
Net increase in cash and cash equivalents	11,037,874	9,588,765	38,774,635	2,702,218
Cash and cash equivalents at beginning of the period	104,712,225	115,750,099	125,338,864	164,113,499
Cash and cash equivalents at end of the period	115,750,099	125,338,864	164,113,499	166,815,717

Data source: Financial statements for the years 2022 to 2024 as audited and certified by CPAs; financial statements for Q2 of 2025 as audited and certified by CPAs.

III. Macroeconomic Analysis

In 2025, the global economy will present a pattern of “slowing down with recession avoided”. Institutions generally believe that the global economy will continue to grow but the growth rate will be lower than that in 2025. The Organisation for Economic Co-operation and Development (OECD) has estimated that the global GDP will grow by approximately 3.2% in 2025 (approximately 3.3% in 2024). The International Money Fund (IMF) has predicted that the global economic growth rate will be 3.2% in its October 2025 report (approximately 3.3% in 2024). The World Bank has pointed out in Global Economic Prospects June 2025 that the growth rate in East Asia and Pacific region (including Taiwan) is expected to grow by approximately 4.5% in 2025 (approximately 5.0% in 2024). This indicates that the global economic activities are still expanding as a whole, but the growth momentum is weaker than before.

Despite the signs of easing, the global inflation remains above the conventional target level. The OCED has indicated that inflation is likely to continue in 2025. Trade and investments are confronted with challenges, e.g., prolonged US-China frictions, escalated geopolitical tension and the potential risk of further tightening of trade policies. As a consequence, the restructuring of the supply chains will be accelerated, and the global supply chains will become fragmental. On the other hand, the financial conditions are tightening, weakening the capital formation, which will become an important factor leading to the decline of growth potential. Nevertheless, investments in technologies (e.g., AI and chips) are still expanding, which may acquire policy support. Therefore, part of the economy has demonstrated resilience, particularly for emerging markets and investments in technologies. Therefore, governments and central banks worldwide shall remain vigilant in strategic terms. In case of escalation of trade friction or reoccurrence of inflation, further decline of economic growth may be expected. In summary, the global economy will enter a relatively low-speed growth rate in 2025. Although the growth is still economic, attention shall be paid to the risk of economic downturn.

For Taiwan, the economic outlook in 2025 is characterized by strong momentum in the first half of the year, and slowdown in the second half of the year. The export performance of Taiwan is particularly remarkable, as a result of the rapidly growing demand for AI, high-performance computing and semiconductors worldwide. Official data indicated that the export growth rate of Taiwan is estimated to reach approximately 24% in 2025, accompanied by expanding investments. The data of the Chung-Hua Institution for Economic Research has showed that the fixed capital formation will grow by approximately 6.6% in 2025. However, in the second half of 2025, the growth momentum may drop by around 1%. The reason lies in that some enterprises make arrangements in advance to avoid tariffs due to a high base effect, possibly resulting in the weakening of subsequent orders. The Chung-Hua Institution for Economic Research has estimated that the growth rate of Taiwan's GDP will be approximately 3.05%, while it is estimated as 2.90% by the Taiwan Research Institute. Additionally, the Taiwan government has estimated an optimistic GDP growth rate of 4.45% and a conservative GDP growth rate of 3.05%, respectively. Given the continual strong performance in export and investments in technologies, Taiwan still stands a good chance of “outperforming the global economy”. However, attention must be paid to external risks as well as the possibility of the weakening of economic momentum in the second half of the year.

Overall, the year 2025 will become a year in which the global economy “still realizes a positive growth but with a declining trend”. The global GDP growth rate may be around 3.2%, significantly lower than the average growth rate in the past decade. For Taiwan, despite its advantages in technology and export, it cannot be fully immune to the global economic slowdown and external risks. The key elements determining the economic growth of Taiwan in 2025 include: Whether the export performance can be sustained, whether the investments can be expanded, and whether the global

demand is still strong. If all these three elements remain stable, Taiwan is expected to realize a growth rate of approximately 3% or above; however, if the external risks are magnified, it will be likely that the growth rate is dragged down to approximately 2.9%.

IV. Industry Analysis of Taiwan's Life Insurance

In the first half of 2025, the total premium income of Taiwan's life insurance reached NT\$1.3181 trillion, up by 16.22% compared to NT\$1.1341 trillion in the first half of 2024. If viewed from the perspective of total premium income, the premium income from the traditional insurance sector reached NT\$1.066 trillion, accounting for 80.87% of the total premium income. Among them, premium income from life insurance, health insurance, accident insurance, and annuity insurance accounted for 74.13%, 21.64%, 3.69% and 0.54%, respectively. Compared with the premium income in 2024, the premium income from life insurance, health insurance and accident insurance grew by 13.81%, 7.10% and 7.38%, respectively. It is worth noting that the premium income from annuity insurance grew significantly by 34.88%. If analyzed based on the number of new policy contracts and sum insured, the number of life insurance contracts reached 5.28 million in the first half of 2025, down by 12.44% compared to 603 million contracts in the first half of 2024. The sum insured of personal insurance was NT\$10.29 trillion, up by 6.74% compared to NT\$9.64 trillion in the first half of 2024. It has been found out through further exploration of each type of insurance, the number of life insurance contracts reached 840,000 (down by 2.33%), with the sum insured as NT\$1.09 trillion (down by 2.68%); the number of accident insurance contracts reached 2.28 million (down by 6.17%), with the sum insured as NT\$8.10 trillion (up by 8.43%); the number of health insurance contracts reached 2.06 million (down by 22.85%), with the sum insured as NT\$0.95 trillion (up by 2.06%); the number of annuity insurance contracts reached 100,000 (up by 42.86%), with the sum insured as NT\$0.15 trillion (up by 87.50%). To sum up, with respect to individual insurance, the annuity insurance grew on a year-on-year basis compared to that in 2024 in terms of number of contracts, sum insured and FYP (first year premium); the health insurance declined on a year-on-year basis compared to that in 2024 in terms of number of contracts, sum insured and FYP; the FYP of the life insurance grew on a year-on-year basis compared to the last year, but the number of contracts and sum insured declined; the accident insurance grew on a year-on-year basis compared to the last year in terms of FYP and sum insured, but the number of contracts declined.

It has been learned from further analysis of FYP, the FYP in the first half of 2025 reached NT\$506.2 billion, up by 35.09% compared to NT\$374.7 billion in the first half of 2024. Among them, the FYP of traditional life insurance reached NT\$270.3 billion, up by 27.98% compared to NT\$211.2 billion in the first half of 2024. The growth might be attributed to the successive participation of life insurance companies into the with-profits policy market, driving the sales of traditional life insurance and related products; the FYP of traditional annuity insurance reached NT\$3.4 billion, up by 41.67% compared to NT\$2.4 billion in the first half of 2024. The FYP of interest-sensitive annuity insurance grew by 47.83% on a year-on-year basis compared to the last year. The reason might lie in US dollar-denominated insurance policies continued to appeal to policyholders pursuing interest rate guarantees and medium-to-long-term asset allocation, as their declared interest rates remained more attractive compared to NTD-denominated policies. The FYP income of investment-linked life insurance grew from NT\$49 billion in the first half of 2024 to NT\$79.5 billion in the first half of 2025, presenting a growth rate of 62.24%; the FYP income of investment-linked annuity insurance grew from NT\$81.8 billion in the first half of 2024 to NT\$123.2 billion in the first half of 2025, presenting a growth rate of 50.61%. Generally speaking, the FYP income of investment-linked insurance grew by 54.97% compared to the last year, which might be related to the following condition: Some companies launched new investment-linked insurance products and actively cooperated with banks to promote the sales of investment-linked insurance products.

Based on the analysis of the sales channels, the FYP in the first half of 2025 primarily consisted of NT\$192.1 billion from bancassurance agencies and NT\$225 billion from life insurance agents which accounted for 37.94% and 44.45% respectively and 82.39% in total, while the FYP from other channels only accounted for 17.61%. Notably, the ratio of FYP from bancassurance agencies exceeded 50% from 2009 to 2022. However, from 2023, the FYP from bancassurance agencies was below 40% for 3 consecutive years and it continued on a declining trend.

In the first half of 2025, the number of new contracts of investment-linked insurance products reached 175,100, up by 33.77% compared to 130,900 in the first half of 2024. Among them, the number of new contracts of variable life insurance accounted for 8.28%, up by 116.42%; the number of new contracts of variable universal life insurance accounted for 38.24%, up by 12.61%; the number of new contracts of variable annuity insurance accounted for 53.48%, up by 45.05%. As for sum insured of new contracts, the total sum insured reached NT\$141 billion in the first half of 2025, up by 9.89% compared to NT\$128.3 billion in the first half of 2024. Among them, the sum insured of variable life insurance accounted for 10%, up by 88.22%; the sum insured of variable universal life insurance accounted for 83.12%, up by 3.44%; the sum insured of variable annuity insurance reached 6.88%, up by 28.95%. Overall, the investment-linked insurance products in the first half of 2025 grew on a year-on-year basis compared to those in the first half of 2024 in terms of number of new contracts, sum insured, and premium income.

In the first half of 2025, the total amount of insurance benefits reached NT\$1.3012 trillion, down by 2.00% compared to NT\$1.3279 billion in the first half of 2024. Among them, the insurance benefits of life insurance reached NT\$992.5 billion, accounting for the highest ratio of 76.28%, followed by the annuity insurance benefits of NT\$173.7 billion, health insurance benefits of NT\$117 billion, and accident insurance benefits of NT\$18.1 billion. As for the number of beneficiaries, the total number of beneficiaries paid in the first half of 2025 reached 28.10 million, up by 2.48% compared to 27.42 million in the first half of 2024. Among them, the beneficiaries of life insurance reached 13.71 million, accounting for the highest ratio of 48.79% in the total number of beneficiaries paid. With respect to benefit items, surrender benefits ranked first at NT\$853 billion (65.55%), followed by survival benefits of NT\$149.2 billion (11.47%) and medical benefits of NT\$112.5 billion (8.65%). These three items accounted for 85.66% of the total insurance benefits. The payout amount of surrender benefits that ranked the first place was down by 3.79% compared to NT\$886.6 billion in the first half of 2024, which was mainly attributed to the surrender of general traditional life insurance and interest-sensitive life insurance policies.

With respect to the profitability of life insurance, the market performance was characterized by weak US dollar and strong New Taiwan Dollar in 2025 amidst Trump's tariff hikes and ongoing Taiwan-US trade negotiations. The NTD surged nearly 7% against the USD dollar in May 2025 alone, marking its largest monthly increase in 36 years. Besides, given the significance decline in the valuation of US treasury bonds, tremendous pressure has imposed on the life insurance industry that held over NT\$23.28 trillion in assets, nearly all denominated in US dollars, resulting in a severe impact. Although some life insurance companies have urgently activated the new foreign exchange valuation reserve system to mitigate losses, losses were inevitable for this industry as a whole.

The operating revenue of the life insurance reached NT\$1.38 trillion by the end of June 2025, down by 26.62% compared to NT\$1.88 trillion in the same period of 2024; the operating cost reached NT\$1.31 trillion, accounting for 94.94% of the total revenue, down by 18.20% compared to NT\$1.60 trillion in the same period of 2024; the operating income reached NT\$74.6 billion after the operating revenue was offset against the operating cost. By the end of June 2025, the current profit or loss of continuing operations reached NT\$18.5 billion, presenting a substantial decrease of NT\$181.4 billion compared to NT\$199.8 billion in the same period of 2024. The total current comprehensive income declined from a profit of NT\$384.7 billion by the end of June 2024 to a loss of NT\$384 billion in the

same period of 2025, with a sharp decline of NT\$768.7 billion. Amidst the shadow of massive foreign exchange loss resulting by the strong appreciation of NTD, several life insurance companies were forced to accelerate their hedging arrangements and apply for approval and implementation of the new reserve system to control fluctuations in losses and profits; the Financial Supervisory Commission has also taken three actions to recue the life insurance, namely, adoption of half-year average price for the calculation of capital adequacy ratio, relaxing of the basis for accrual of liability reserve funds, and adoption of transitional measures for the implementation of the new-generation solvency system.

Looking into the future of Taiwan's life insurance, the life insurance companies in Taiwan will shift from selling savings products to more profitable protection-type products in response to IFRS17 and the new-generation solvency system. Furthermore, the financial statements of the insurance companies will more closely reflect their actual operating conditions in the future, so that local and foreign investors can have a better understanding of their actual conditions and the practitioner's financial strength and their risk-taking capabilities will be intensified. However, uncertainties remain in the international economic situation and geopolitical outlook, not only affecting policyholders' confidence in investment, but also influencing exchange rates, interest rates, and international economic growth. Under the combined impact of various uncertain factors, Taiwan's life insurance will still face a great challenge.

3. Evaluation Methods

I. Equity Value of Mercuries Life Insurance

(1) Selection of Valuation Method

Given that Mercuries Life Insurance was listed on the Taiwan Stock Exchange on December 18, 2012 with an objective open market transaction price for reference, the equity value of Mercuries Life Insurance is calculated based on the average closing price per share of this company during its historical trading period on the date of value (November 5, 2025) in this case.

In accordance with the list of member companies of the Life Insurance Association of the Republic of China, there are a total of 21 life insurance companies in Taiwan so far, including 19 local companies and 2 branch offices of foreign life insurance companies. Among local life insurance companies, Mercuries Life Insurance is the only independently TWSE-listed company, while all the other eight companies are not listed on the Taiwan Stock Exchange or Teipei Exchange. In this case, it is planned to select eight financial holding companies operating life insurance business as comparable companies except Farglory Life Insurance and Hontai Life Insurance which are held by Farglory Group and Hontai Group respectively. The “Comparable Company Method” under the market approach is adopted to estimate the equity value of the target company.

Company name	Code	Market	Industry type	Listing date	Subsidiaries in life insurance
Mercuries Life Insurance	2867	TWSE-listed	Finance and insurance	December 18, 2012	-
CTBC Financial Holding	2891	TWSE-listed	Finance and insurance	May 17, 2002	Taiwan Life Insurance Co., Ltd.
Cathay Financial Holding	2882	TWSE-listed	Finance and insurance	December 31, 2001	Cathay Life Insurance Co., Ltd.
KGI Financial	2883	TWSE-listed	Finance and insurance	December 28, 2001	KGI Life Insurance Co., Ltd.
TS Holdings	2887	TWSE-listed	Finance and insurance	February 18, 2002	Shin Kong Life Insurance Co., Ltd. and Taishin Life Insurance Co., Ltd.
Fubon Financial	2881	TWSE-listed	Finance and insurance	December 19, 2001	Fubon Life Insurance Co., Ltd.
Yuanta Financial Holding	2885	TWSE-listed	Finance and insurance	February 4, 2002	Yuanta Life Insurance Co., Ltd.
First Financial Holding	2892	TWSE-listed	Finance and insurance	January 2, 2003	First Life Insurance Co., Ltd.
Taiwan Cooperative Holdings	5880	TWSE-listed	Finance and insurance	December 1, 2011	BNP Paribas Cardif TCB Life Insurance Co., Ltd.

Since Mercuries Life Insurance hasn't prepared financial forecasts, the income approach hasn't been adopted to estimate the corporate value and equity value; the asset approach is intended to evaluate the total value of individual assets and individual liabilities covered by the valuation target, and reflects the overall value of an enterprise or a business. It is usually suitable for companies, holding companies or liquidation companies with a high asset ratio in their corporate value. The asset approach is thus not suitable for the valuation of this case given that Mercuries Life Insurance does not have the preceding characteristics.

(2) Fair Market Value Method

The average closing prices per share of Mercuries Life Insurance, a TWSE-listed company, on the date of value (November 5, 2025) are as follows:

	Mercuries Life Insurance 2867
Average closing price for the preceding day	7.13
Average closing price for the preceding 10 days	6.96
Average closing price for the preceding 30 days	6.33
Average closing price for the preceding 60 days	6.04

Data source: Taiwan Stock Exchange

(3) Comparable Company Method

Since Mercuries Life Insurance suffered a loss in the second quarter of 2025, the price-earnings ratio could not be adopted as value multiplier. Besides, since all the comparable companies are financial holding companies with operating revenue containing other business income not from life insurance, the price-to-revenue ratio could not be adopted as value multiplier, either. As a result, the price-to-book ratio has been adopted as value multiplier for calculation.

The net worth per share of Mercuries Life Insurance was NT\$5.43 on June 30, 2025. The price-to-book ratio multipliers of comparable companies for the preceding day, the preceding 10 days, the preceding 30 days and the preceding 60 days are shown in Appendix 1. The range of value multipliers is determined as 1.2908~1.5873 according to the first and third quartiles, and the value range calculated is NT\$7.01~NT\$8.62.

(4) Premium/Discount Adjustment

Since E.SUN Financial Holding plans to acquire 100% equity of Mercuries Life Insurance through share swap, the theoretical price of Mercuries Life Insurance under the value premise of the investment value shall be adopted to adjust the control premium. According to the data in the dedicated section of MOPS for public acquisitions and corporate mergers and acquisitions, there are a total of 10 acquisition and M&A transactions in the fields of finance, life insurance, and financial holding since 2017. The acquisition or M&A ratios and premium conditions are shown in Appendix 2 after exclusion of transactions of securities companies not involved in the public acquisitions in the financial industry. The premium range is determined as 6.47%~13.20% according to the first and third quartiles.

(5) Equity Value of Mercuries Life Insurance

Since Mercuries Life Insurance is a TWSE-listed company with objective open market price for reference, and the price is categorized as a level-2 input defined under IFRS13, 70% of the weight is assigned to the fair market value method; the market approach is intended to compare the valuation target with the same or comparable projects with price information available and then estimate the value, and it is also categorized as a level-2 input value defined under IFRS13, 30% of the weight is assigned to the market approach (comparable company method). Besides, the reasonable range of theoretical value per share is adjusted and calculated as follows:

	Valuation method	Weight	Equity value
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Equity value per share	Fair market value method	70%	\$6.04~\$7.13
	Comparable company method	30%	\$7.01~\$8.62
Range of equity value			\$6.33~\$7.58
Range of premium rate			6.47%~13.20%
Range of equity value after adjustment			\$6.74~\$8.58

II. Equity Value of E.SUN Financial Holding

(1) Selection of Valuation Method

Given that E.SUN Financial Holding was listed on the Taiwan Stock Exchange on January 28, 2002 with an objective open market transaction price for reference, the equity value of E.SUN Financial Holding is calculated based on the average closing price per share of this company during its historical trading period on the date of value (November 5, 2025) in this case.

According to the announcement of the central bank, there are a total of 14 financial holding companies in Taiwan. In this case, 12 financial companies, except Taiwan Financial Holdings Co., Ltd. (not yet listed on the Taiwan Stock Exchange or Taipei Exchange) and IBF Financial Holdings Co., Ltd. (with business revenue significantly lower than other companies), have been selected as comparable companies. The "Comparable Company Method" under the market approach is adopted to estimate the equity value of the target company.

Company name	Code	Market	Industry type	Listing date	Main business
E.SUN Financial Holding	2884	TWSE-listed	Finance and insurance	January 28, 2002	Financial holding company industry
CTBC Financial Holding	2891	TWSE-listed	Finance and insurance	May 17, 2002	Investment in financial-related businesses
Cathay Financial Holding	2882	TWSE-listed	Finance and insurance	December 31, 2001	Investment management
KGI Financial	2883	TWSE-listed	Finance and insurance	December 28, 2001	Investment and management of invested companies
TS Holdings	2887	TWSE-listed	Finance and insurance	February 18, 2002	Financial holding company industry
Fubon Financial	2881	TWSE-listed	Finance and insurance	December 19, 2001	Financial holding company industry
Yuanta Financial Holding	2885	TWSE-listed	Finance and insurance	February 4, 2002	Financial holding company industry
First Financial Holding	2892	TWSE-listed	Finance and insurance	January 2, 2003	Financial holding company industry
Taiwan Cooperative Holdings	5880	TWSE-listed	Finance and insurance	December 1, 2011	Financial holding company industry
Hua Nan Financial Holdings	2880	TWSE-listed	Finance and insurance	December 19, 2001	Financial holding company industry
SinoPac Holdings	2890	TWSE-listed	Finance and insurance	May 9, 2002	Financial holding company industry
Mega Holdings	2886	TWSE-listed	Finance and insurance	February 4, 2002	Financial holding company industry
IBF Financial Holdings	2889	TWSE-listed	Finance and insurance	March 26, 2002	Financial holding company industry
Taiwan Financial Holdings	-	-	Finance and insurance	-	Financial holding company industry

Since E.SUN Financial Holding hasn't prepared financial forecasts, the income approach

hasn't been adopted to estimate the corporate value and equity value; the asset approach is intended to evaluate the total value of individual assets and individual liabilities covered by the valuation target, and reflects the overall value of an enterprise or a business. It is usually suitable for companies, holding companies or liquidation companies with a high asset ratio in their corporate value. The asset approach is thus not suitable for the valuation of this case given that E.SUN Financial Holding does not have the preceding characteristics.

(2) Fair Market Value Method

The average closing prices per share of E.SUN Financial Holding, a TWSE-listed company, on the date of value (November 5, 2025) are as follows:

	E.SUN Financial Holding 2884
Average closing price for the preceding day	30.30
Average closing price for the preceding 10 days (including the present day)	30.83
Average closing price for the preceding 30 days (including the present day)	32.25
Average closing price for the preceding 60 days (including the present day)	32.99

Data source: Taiwan Stock Exchange

(3) Comparable Company Method

In this case, the price-earnings ratio and the price-to-book ratio are adopted as value multipliers for calculation (the value multipliers of comparable companies detailed in Appendix 3):

1. Price-earnings ratio

In accordance with the information regarding the income statement of 2024 and the income statements of 2024 and the second quarter of 2025 of E.SUN Financial Holding, the earnings per share of the company from July 2024 to June 2025 has been calculated as NT\$1.88. The price-to-book ratio multipliers of comparable companies for the preceding day, the preceding 10 days, the preceding 30 days and the preceding 60 days are shown in Appendix 3. The range of value multipliers is determined as 12.0428~16.6350 according to the first and third quartiles, and the value range calculated is NT\$22.64~NT\$31.27.

2. Price-to-book ratio

The net worth per share of E.SUN Financial Holding was NT\$15.52 on June 30, 2025. The price-to-book ratio multipliers of comparable companies for the preceding day, the preceding 10 days, the preceding 30 days and the preceding 60 days are shown in Appendix 3. The range of value multipliers is determined as 1.3727~1.7000 according to the first and third quartiles, and the value range calculated is NT\$21.30~NT\$26.38.

(4) Equity Value of E.SUN Financial Holding

Since E.SUN Financial Holding is a TWSE-listed company with objective open market price for reference, and the price is categorized as a level-2 input defined under IFRS13, 70% of the weight is assigned to the fair market value method; the market approach is intended to compare the valuation target with the same or comparable projects with price information available and then estimate the value, and it is also categorized as a level-2 input value defined under IFRS13, 30% of the weight is assigned to the market approach (comparable company method). Besides, the reasonable range of theoretical value per share is adjusted and calculated as follows:

	Valuation method	Weight	Equity value
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Equity value per share	Fair market value method		70%	\$30.30	~	\$32.99
	Comparable company method	PE ratio	30%	\$22.64	~	\$31.27
		PB ratio		\$21.30	~	\$26.38
Range of equity value				\$27.60	~	\$32.47

III. Share Swap Ratio between Mercuries Life Insurance and E.SUN Financial Holding

The share swap ratio is determined based on the following: The equity value per share of Mercuries Life Insurance falls in the range of NT\$6.74-NT\$8.58 using the aforesaid fair market value method and the market approach; the equity value per share of E.SUN Financial Holding falls in the range of NT\$27.60-NT\$32.47 using the fair market value method and the market approach. As a result, the reasonable range of the share swap ratio is calculated as 1 ordinary share of Mercuries Life Insurance swapped to 0.2077-0.3107 ordinary shares of E.SUN Financial Holding:

Target company	Valuation method		Price range	Swap ratio
	Fair market value method	Comparable company method		
Mercuries Life Insurance	NT\$6.04~NT\$7.13	NT\$7.01~NT\$8.62	NT\$6.74~NT\$8.58	1
E.SUN Financial Holding	NT\$30.30~NT\$32.99	NT\$21.30~NT\$31.27	NT\$27.60~NT\$32.47	0.2077~0.3107

IV. Valuation Opinion and Conclusion

To sum up, in consideration of quantifiable financial data and objective market information, the CPA has conducted the assessment using the fair market price method and the market approach. The reasonable range of the swap ratio between Mercuries Life Insurance and E.SUN Financial Holding is 1 ordinary share of Mercuries Life Insurance swapped to 0.2077-0.3107 ordinary shares of E.SUN Financial Holding. The expected swap ratio is 1 ordinary share of Mercuries Life Insurance swapped to 0.2486 ordinary shares of E.SUN Financial Holding, which is deemed to be reasonable.

Appendix 1 Value Multipliers of Comparable Companies - Mercuries Life Insurance

Mercuries Life Insurance		CTBC Financial Holding	Cathay Financial Holding	KGI Financial	TS Holding	Fubon Financial	Yuanta Financial Holding	First Financial Holding	Taiwan Cooperative Holdings
PE	2867	2891	2882	2883	2887	2881	2885	2892	5880
Average closing price for the preceding day	-	12.08	12.38	13.29	13.57	11.68	13.06	15.66	18.93
Average closing price for the preceding 10 days	-	12.00	12.44	13.33	13.70	11.58	12.99	15.80	19.03
Average closing price for the preceding 30 days	-	12.12	12.52	12.88	13.32	11.28	12.99	16.05	19.16
Average closing price for the preceding 60 days	-	12.10	11.93	11.98	12.59	10.63	12.72	15.99	19.35
PB									
Average closing price for the preceding day	1.31	1.93	1.37	1.10	1.26	1.73	1.46	1.52	1.44
Average closing price for the preceding 10 days	1.28	1.92	1.38	1.10	1.27	1.72	1.45	1.54	1.45
Average closing price for the preceding 30 days	1.17	1.94	1.38	1.07	1.24	1.67	1.45	1.56	1.45
Average closing price for the preceding 60 days	1.10	1.90	1.34	1.05	1.15	1.62	1.41	1.54	1.46
PS									
Average closing price for the preceding day	0.50	4.01	3.15	3.69	5.33	4.42	3.97	5.64	5.39
Average closing price for the preceding 10 days	0.49	3.98	3.17	3.71	5.38	4.38	3.95	5.69	5.42
Average closing price for the preceding 30 days	0.45	4.02	3.19	3.58	5.23	4.26	3.95	5.78	5.46
Average closing price for the preceding 60 days	0.42	4.02	3.16	3.59	4.95	4.21	3.86	5.76	5.49

Data source: Price-earnings ratio, yield and price-to-book ratio of individual stocks on Taiwan Stock Exchange

Appendix 2 Premiums in Public Acquisition and Merger Transactions in the Financial Industry

Nature of transaction	Starting date of public acquisition period/Resolution date of board meeting on M&A	Name of public acquirer/merger	Name and code of acquired company	Acquisition/M&A consideration	Capital source	Actual acquisition/M&A ratio	Business nature of acquired company	Average price for the preceding 30 days	Premium rate
Public acquisition	August 17, 2017	KGI Financial (2883)	China Life (2823)	NT\$35 per share	Self-owned capital and issuance of unsecured subordinated ordinary corporate bonds	25.33%	Financial life insurance	32.4	8.02%
Public acquisition	August 22, 2018	Caterpillar Capital Co., Ltd.	Daqing Securities (6021)	NT\$13.16 per share	Public acquirer's self-owned capital and bank financing	51.02%	Finance	9.32	41.20%
M&A	August 11, 2020	TS Financial Holding (2887)	Prudential Life Insurance Company of Taiwan Inc.	NT\$11.0874 per share	Self-owned capital	100.0%	Financial life insurance	-	-
Public acquisition	December 22, 2020	Fubon Financial (2881)	Jih Sun Financial Holding (5820)	NT\$13 per share	Public acquirer's self-owned capital and issuance of commercial papers	53.84%	Financial holding	10.56	23.14%
Public acquisition	January 8, 2021	China Development Financial (2883)	China Life (2823)	NT\$23.6 per share	Self-owned capital, issuance of corporate bonds, payments made by subsidiaries, short-term borrowings, etc.	21.14%	Financial life insurance	22.14	6.59%
M&A	August 12, 2021	KGI Financial (2883)	China Life (2823)	NT\$29.425 per share (1)	Self-owned capital and issuance of preferred shares	21.13%%	Financial life insurance	26.78	9.88%
M&A	September 16, 2021	Fubon Financial (2881)	Jih Sun Financial Holding (5820)	NT\$13 per share	Self-owned capital	46.16%	Financial holding	12.91	0.67%
M&A	October 14, 2021	IBF Financial	EnTie Bank	NT\$17.21 per	Self-owned capital	100.0%	Financial	16.22	6.11%

Yuan He CPAs (YuanHeCpa)
12F.-1, No.25, Sec. 3, Ren'ai Rd., Da'an Dist., Taipei City
Tel.:886 2 2370 6189

		Holdings (2889)	(2849)	share	and issuance of preferred shares		holding		
M&A	August 22, 2024	TS Financial Holding (2887)	Shin Kong Financial Holding (2888)	NT\$14.57 per share	Issuance of ordinary shares and preferred shares	100.0%	Financial holding	11.01	32.37%
M&A	December 27, 2024	SinoPac Holding (2890)	King's Town Bank (2809)	NT\$53.5 per share	Self-owned capital and issuance of ordinary shares	100.0%	Finance	49.31	8.49%
First quartile									7.31%
Third quartile									16.51%

(1) 0.8 ordinary shares, 0.73 preferred shares and cash of NT\$11.5, calculated based on the 30-day average closing price of KGI Securities prior to August 12 and the valuation report, with an equivalent value of approximately NT\$29.425 per share.

(2) 0.6720 ordinary shares and 0.175 preferred shares, calculated based on the 30-day average closing price of TS Financial Holding prior to August 22 and the valuation report, with an equivalent value of approximately NT\$14.57 per share.

Data source: MOPS, organized in this report

Yuan He CPAs (YuanHeCpa)
12F.-1, No.25, Sec. 3, Ren'ai Rd., Da'an Dist., Taipei City
Tel.:886 2 2370 6189

Appendix 3 Value Multipliers of Comparable Companies - E.SUN Financial Holding

E.SUN Holding	Financial 2884	CTBC Financial Holding 2891	Cathay Financial Holding 2882	KGI Financial Holding 2883	TS Holdings 2887	Fubon Financial 2881	Yuanta Financial Holding 2885	First Financial Holding 2892	Hua Nan Financial Holdings 2880	SinoPac Holdings 2890	Mega Holdings 2886	Taiwan Cooperative Holdings 5880
PE												
Average closing price for the preceding day	16.03	12.08	12.38	13.29	13.57	11.68	13.06	15.66	17.31	14.78	18.48	18.93
Average closing price for the preceding 10 days	16.31	12.00	12.44	13.33	13.70	11.58	12.99	15.80	17.28	14.59	18.65	19.03
Average closing price for the preceding 30 days	17.06	12.12	12.52	12.88	13.32	11.28	12.99	16.05	17.22	14.33	18.91	19.16
Average closing price for the preceding 60 days	17.60	12.10	11.93	11.98	12.59	10.63	12.72	15.99	17.13	14.13	19.02	19.35
PB												
Average closing price for the preceding day	1.95	1.93	1.37	1.10	1.26	1.73	1.46	1.52	1.90	1.63	1.67	1.44
Average closing price for the preceding 10 days	1.99	1.92	1.38	1.10	1.27	1.72	1.45	1.54	1.89	1.61	1.68	1.45
Average closing price for the preceding 30 days	2.08	1.94	1.38	1.07	1.24	1.67	1.45	1.56	1.89	1.58	1.70	1.45
Average closing price for the preceding 60 days	2.11	1.90	1.34	1.05	1.15	1.62	1.41	1.54	1.83	1.55	1.68	1.46
PS												
Average closing price for the preceding day	5.90	4.01	3.15	3.69	5.33	4.42	3.97	5.64	6.23	5.71	7.59	5.39
Average closing price for the preceding 10 days	6.00	3.98	3.17	3.71	5.38	4.38	3.95	5.69	6.22	5.64	7.66	5.42
Average closing price for the preceding 30 days	6.27	4.02	3.19	3.58	5.23	4.26	3.95	5.78	6.20	5.54	7.77	5.46
Average closing price for the preceding 60 days	6.42	4.02	3.16	3.59	4.95	4.21	3.86	5.76	6.12	5.46	7.74	5.49

Data source: Price-earnings ratio, yield and price-to-book ratio of individual stocks on Taiwan Stock Exchange

Expert's Resume

Current Positions

Practicing CPA of Yuan He CPAs

Audit Committee Member of the National Federation of Certified Public Accountants

Experience

Member of the Think Tank Committee of CPA Associations R.O.C. (August 2018-August 2021)

Member of the Professional Education Committee of CPA Associations R.O.C. (August 2021-August 2023)

Lecturer of the Department of Accounting Information, National Taipei University of Business (August 2020-July 2022)

Lecturer of the Department of Accounting of Soochow University (August 2020-July 2022)

Deputy Editor-in-chief of Angle Publishing Co., Ltd. (*Angle Accounting Magazine*) (April 2017-October 2019)

Lecturer of the GET - Global Education & Training (October 2008-June 2018)

Editor-in-chief of Career Just Publishing Co., Ltd. (January 1992-June 2008)

Partner CPA of Cheng Yeh CPAs (January 1992-June 1999)

Lecturer of the Jin-Wen Institute of Technology (August 1999-July 2001)

Lecturer of the Continuing Education Class of Chinese Culture University (October 1998-June 1999)

Education

National Taiwan University Master of Accounting (September 1991-June 1994)

National Taiwan University Bachelor of Accounting (September 1987-June 1991)

Licenses

Passed the Higher-level Examination for Certified Public Accountants (Tai-Tsai-Cheng-Teng (Six) No. 2719)

Intangible Asset Valuer (Intermediate Level, Certificate No.: A-C21-0013-2019), Ministry of Economic Affairs

Business Valuer (Certificate No.: 00596)

Qualification of Lecturer in Colleges and Universities (Chiang-Tzu No. 090485), Ministry of Education