

E.SUN Financial Holding Co., Ltd.

Internal Control System Statement

To: Financial Supervisory Commission

On the behalf of E.SUN Financial Holding Co., Ltd., we hereby declare that in the period from January 1, 2024 to December 31, 2024, the Company duly complied with "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" in establishing an internal control system and implementing risk management processes. In the meantime, an impartial and independent unit was designated to conduct audits and report regularly to the Board of Directors and supervisors. Based on meticulous evaluation, the Company found that, except for the items enumerated in the attached table, the internal control and legal compliance systems of all units were effectively implemented during the year. This statement will be included as the primary content of the Company's annual report and any prospectuses, and made available to the public. Any information in this statement found to be falsified, concealed, or otherwise illegal shall be subject to the legal liabilities prescribed by Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

Declarant: E.SUN Financial Holding Co., Ltd.

Chairman: *Joseph Huang* (Signature/ Seal)

President: *Jareo* (Signature/ Seal)

Chief Auditor: *Chen Jung Chun* (Signature/ Seal)

Chief Compliance Officer: *Chia-Heng Chen* (Signature/ Seal)

Date: March 07, 2025

E.SUN Financial Holding Co., Ltd. Internal Control System

Items for Improvement of deficiencies Status

(As of December 31, 2024)

Item for Improvement	Improvement Measures	Target Date
Subsidiary <u>E.SUN Commercial Bank, Ltd.</u> The improvements of internal regulations regarding keeping customers' Custody of Seals.	The case has been properly handled, and we have strengthened education and training while adjusting the relevant management regulations.	Completed.
Subsidiary <u>E.SUN Commercial Bank, Ltd.</u> Due to the system update by JCB headquarters in Japan, our customers have repeatedly received SMS notifications and emails regarding the binding of their JCB credit cards to Apple Pay.	<ol style="list-style-type: none"> 1. Add alert mechanism for abnormal card binding transactions has been established, and regularly review the appropriateness of the monitoring threshold values. 2. Add mechanism for reviewing and confirming information related to international payment card binding messages, such as Apple Pay, has been established, along with corresponding adjustments to the SMS notification content. 	Completed
Subsidiary <u>E.SUN Commercial Bank, Ltd.</u> Due to system malfunctions, there have been occurrences of duplicate deposits and withdrawals of fund products in the deposit system.	Add Cyclical Reservation Batch Verification Mechanism has been established, and all batch accounting transactions in the deposit and loan system will be incorporated into this control.	Completed.
Subsidiary <u>E.SUN Security Co., Ltd.</u> <ol style="list-style-type: none"> 1. With regarding to handling entrusted trading of stocks, orders were accepted with unconfirmed identities or entrusted trading quantities. 2. With regard to operations of conducting control for related-party trading limits, the accounts were neither determined to be related parties or not, nor the evaluation materials were retained. 3. Accepted elderly clients' orders to buy risky foreign securities without providing a detailed explanation of the risks involved in the products. 	A management mechanism has been established and business processes have been revised to strengthen the systematic management of related customers and to explain product risks to elderly customers in order to protect customer rights.	Completed.

Item for Improvement	Improvement Measures	Target Date
Subsidiary <u>E.SUN Security Co., Ltd.</u> During routine information and communications security audits, it was discovered that the vulnerability scanning scope was insufficient.	Plan vulnerability scanning schedules for each system.	It is expected that the core system weak scan retest will be completed in the first quarter of 2025