



Financial Review of 2021 Q4

2022.3.14



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Summary

- **Operations Review of 2021 Q4**
- **Financial Performance**
- **Prospects**





Operations Review of 2021 Q4





Operations Review of 2021

- Pre-tax income NT\$1,050 million ,increased 18.38%.Hit a new record .
- Awarded by Joint Credit information Center for Best Quality.
- Won good reputation and ranking in cashing the Quintuple Stimulus Voucher.
- Supporting Kaohsiung Youth Venture Loan
- Credit rating remains unchanged and outlook remains stable.



Financial Performance of 2021



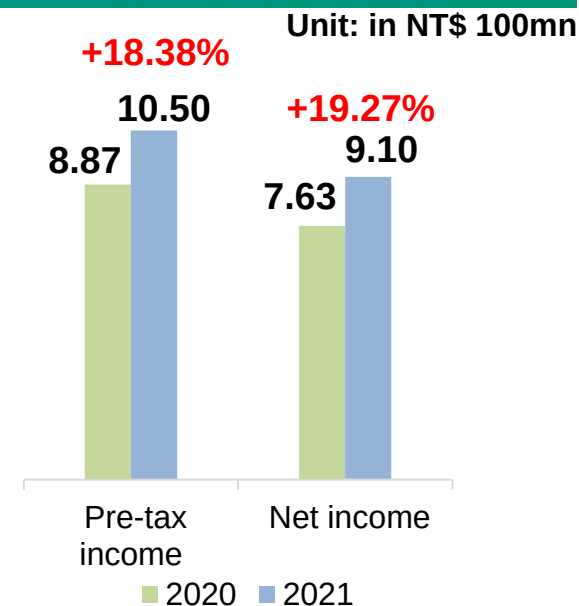
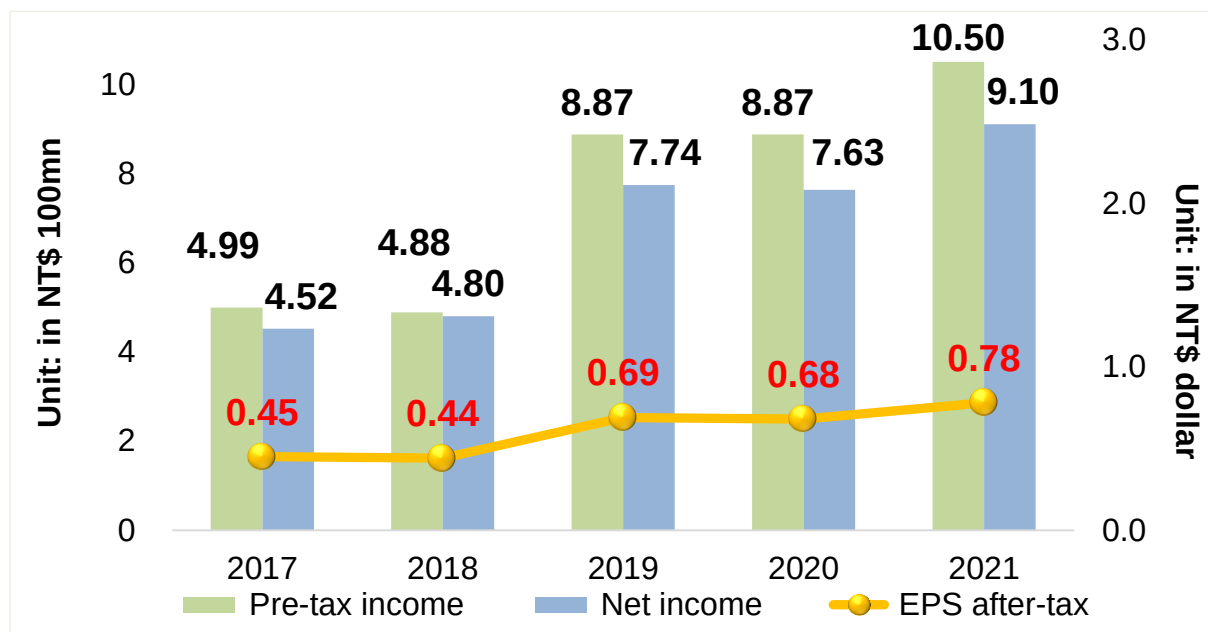


Operating Result_(Over the past five years)

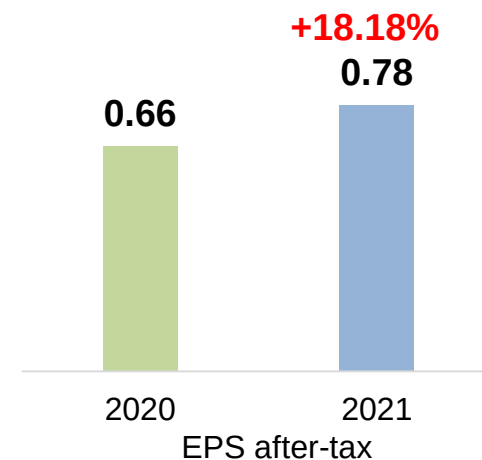
ITEMS \ FY	2021	2020	2019	2018	2017
Pre-tax income (NT\$ 100mn)	10.50	8.87	8.87	4.88	4.99
Net income (NT\$ 100mn)	9.10	7.63	7.74	4.80	4.52
EPS after-tax (NT\$ dollar)	0.78	0.66	0.69	0.44	0.45
ROA(%) (After-tax)	0.32	0.28	0.29	0.18	0.17
ROE(%) (After-tax)	5.37	4.82	5.18	3.35	3.39
ITEMS \ FY	2021.12.31	2020.12.31	2019.12.31	2018.12.31	2017.12.31
Assets (NT\$ 100mn)	2,840	2,762	2,707	2,680	2,634



Profit Trend (Over the past five years)



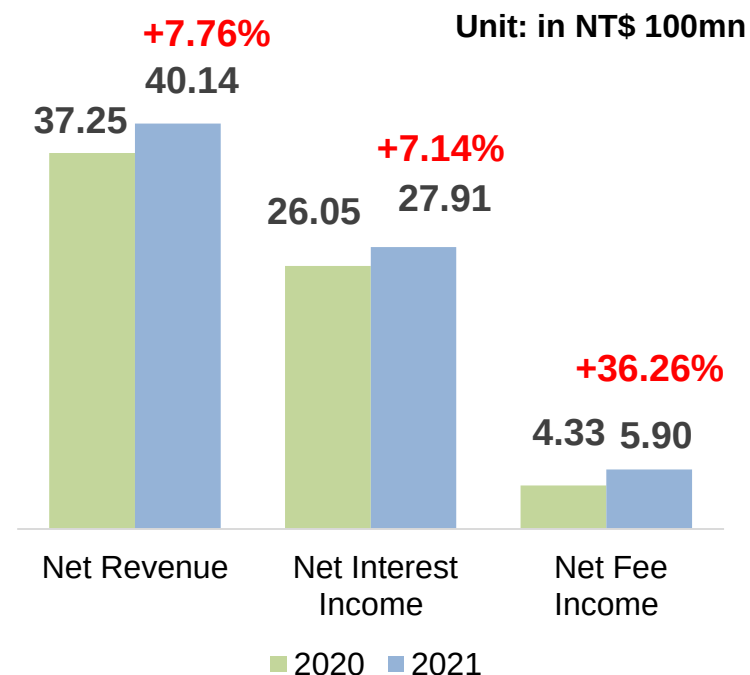
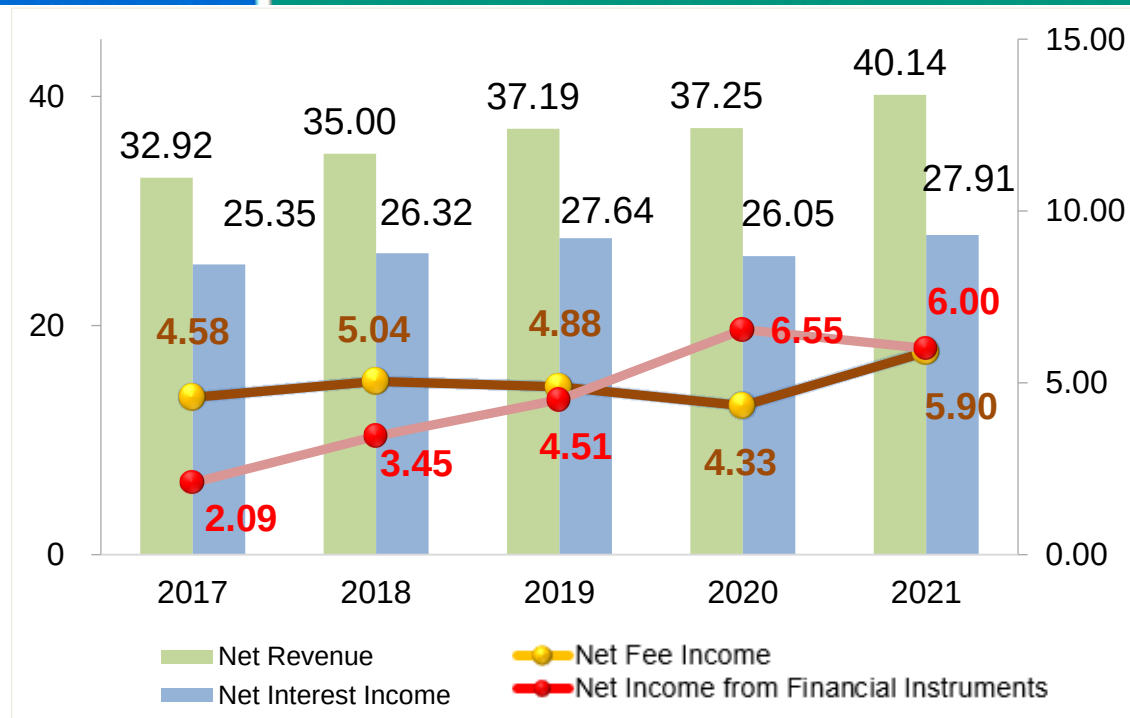
ITEMS \ FY	2021	2020	2019	2018	2017
Pre-tax income (in NT 100mn)	10.50	8.87	8.87	4.88	4.99
Net income (in NT 100mn)	9.10	7.63	7.74	4.80	4.52
EPS after-tax (in NT\$ dollar)	0.78	0.66	0.69	0.44	0.45



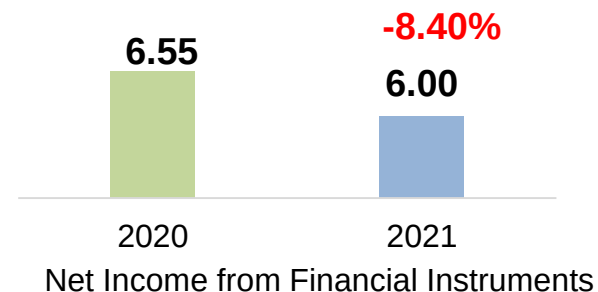


Net Revenue Breakdown

(Over the past five years)



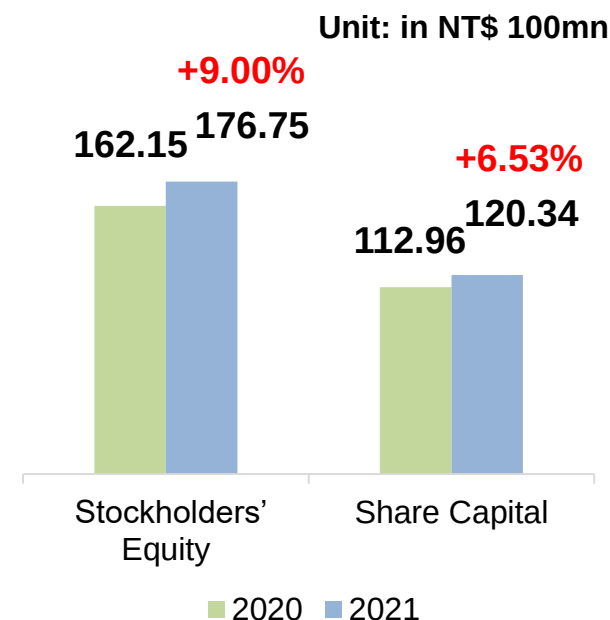
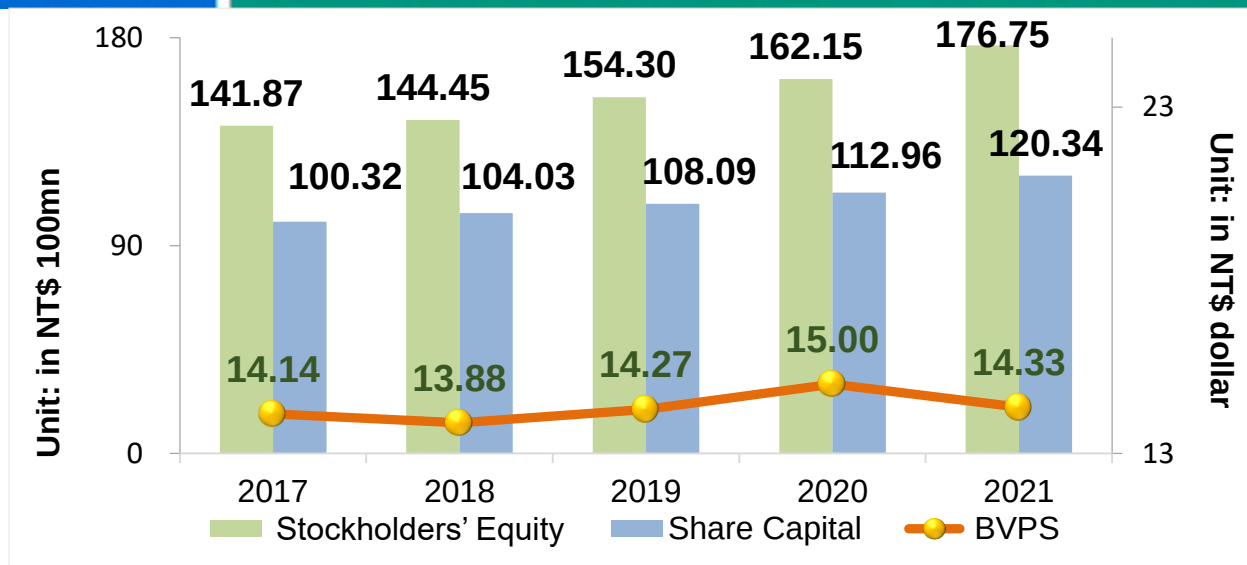
ITEMS \ FY	FY				
	2021	2020	2019	2018	2017
Net Revenue	40.14	37.25	37.19	35.00	32.92
Net Interest Income	27.91	26.05	27.64	26.32	25.35
Net Fee Income	5.90	4.33	4.88	5.04	4.58
Net Income from Financial Instruments	6.00	6.55	4.51	3.45	2.09



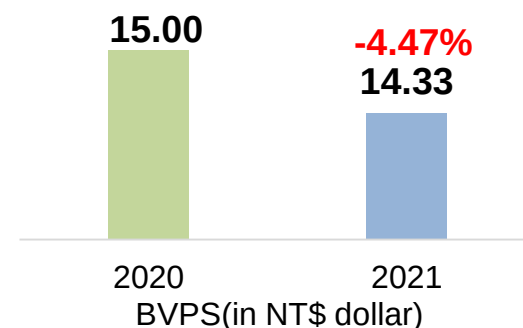


Stockholders' Equity

(Over the past five years)



ITEMS \ FY					
	2021	2020	2019	2018	2017
Stockholders' Equity	176.75	162.15	154.30	144.45	141.87
Share Capital	120.34	112.96	108.09	104.03	100.32
BVPS (in NT\$ dollar)	14.33	15.00	14.27	13.88	14.14



Note1: Share capital of 2021 includes NTD 400 million preferred stock capital ; share capital of 2020 includes NTD 487 million capital raising reserve .

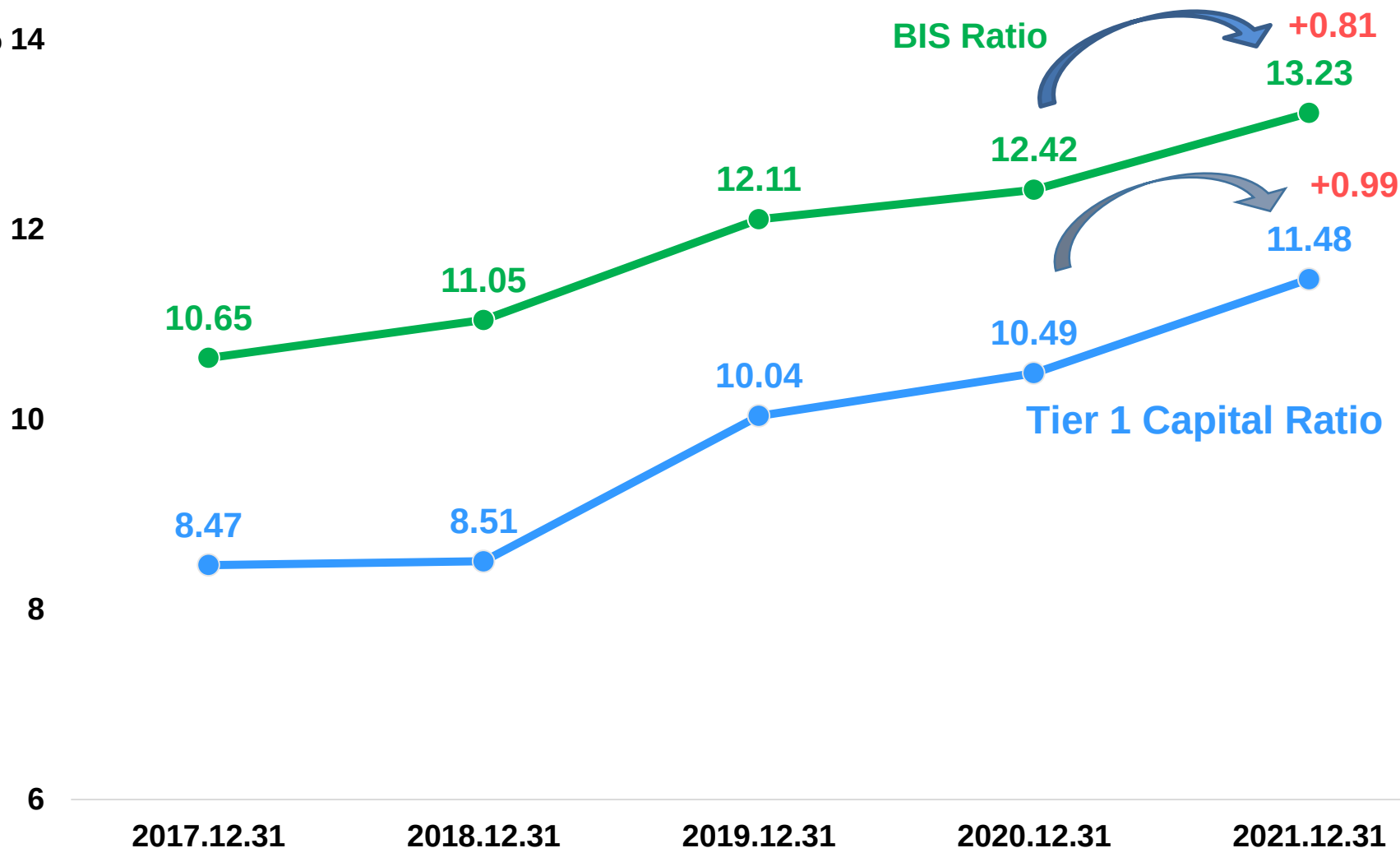
Note2: Net value per share of 2021 is calculated based on the number of issued shares of 1,163,444 shares (in thousand) at the end of December ; net value per share of 2020 is calculated based on the number of issued shares of 1,080,916 shares (in thousand) at the end of December.



Capital Adequacy Ratio: steadily increase

(Over the past five years)

Unit: %

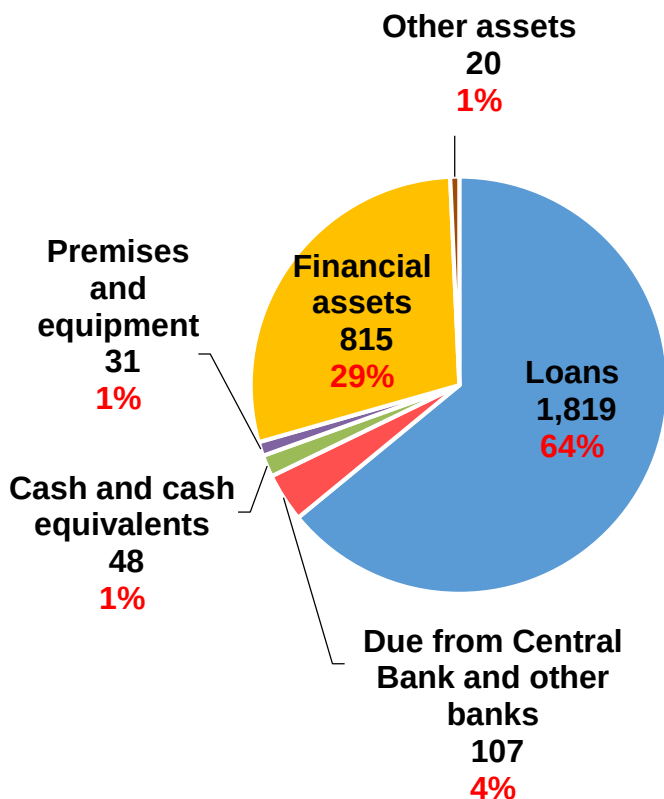




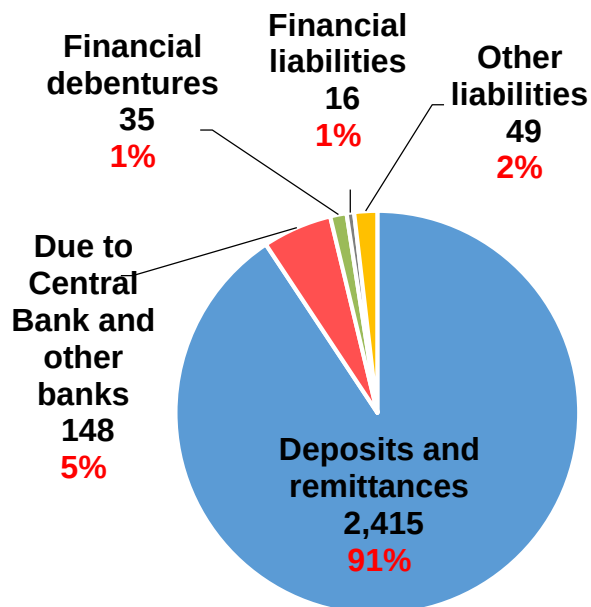
Assets、Liabilities and Stockholders' Equity (2021.12.31)

Unit: in NT\$ 100mn

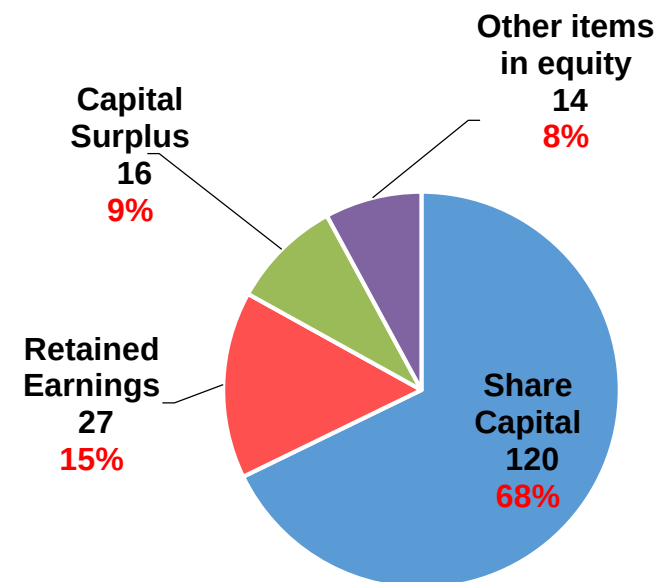
Assets



Liabilities



Stockholders' Equity

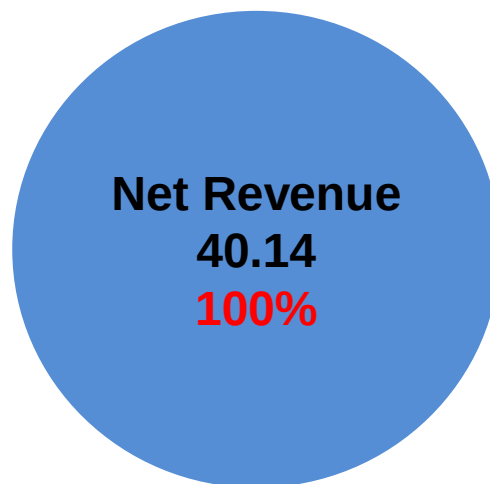
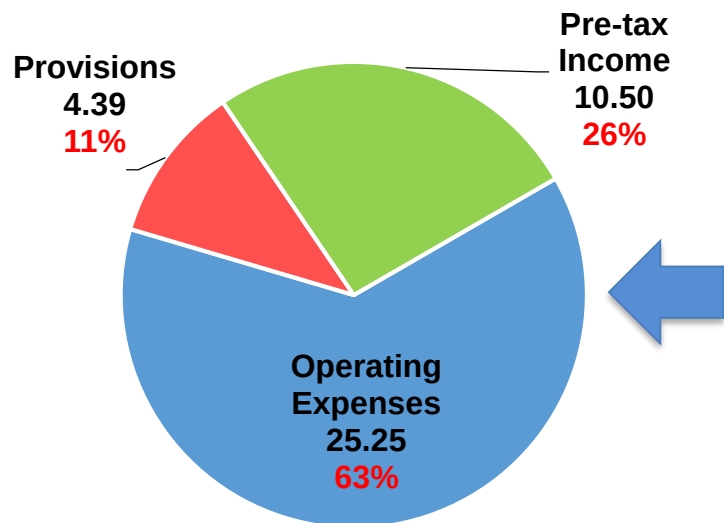




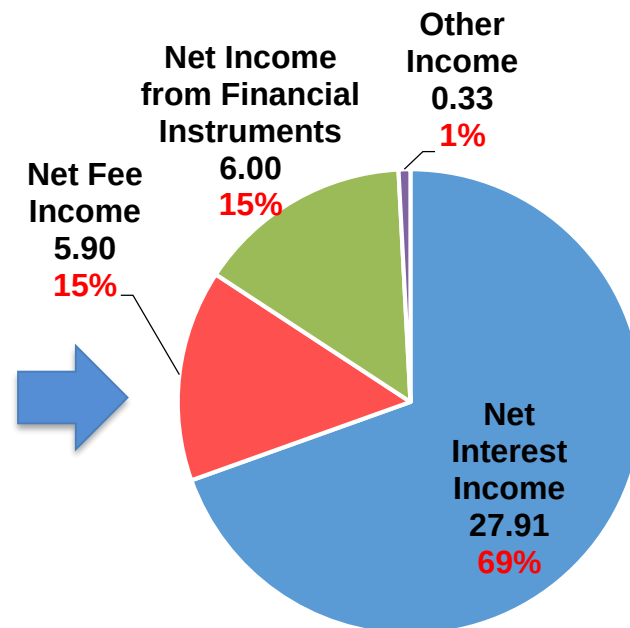
Net Revenue Breakdown (2021)

Unit: in NT\$ 100mn

Net Income

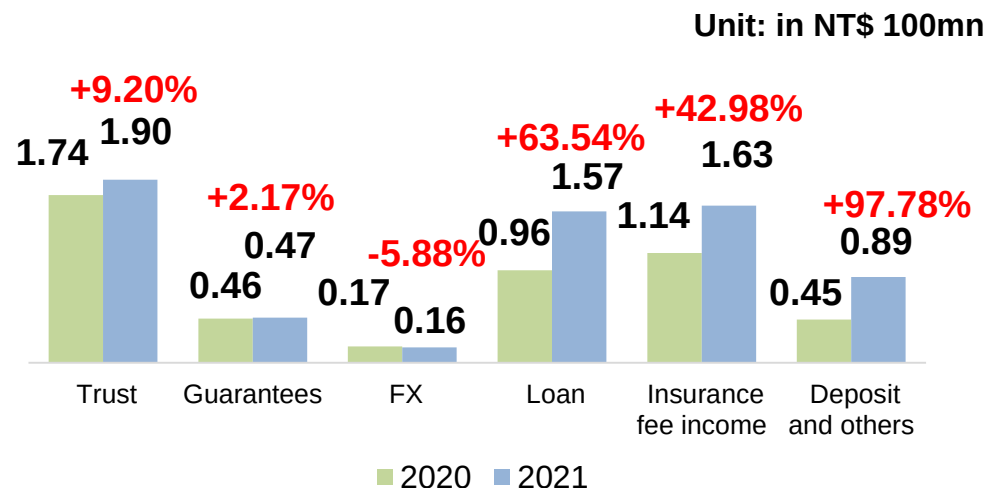
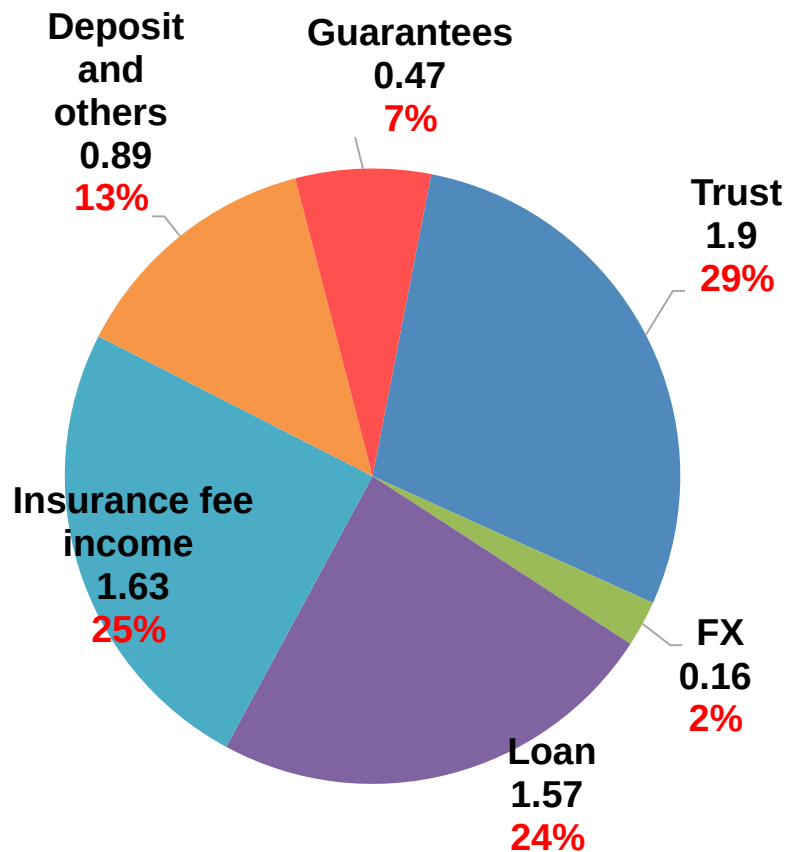


Net Revenue





Fee Income Breakdown (2021)

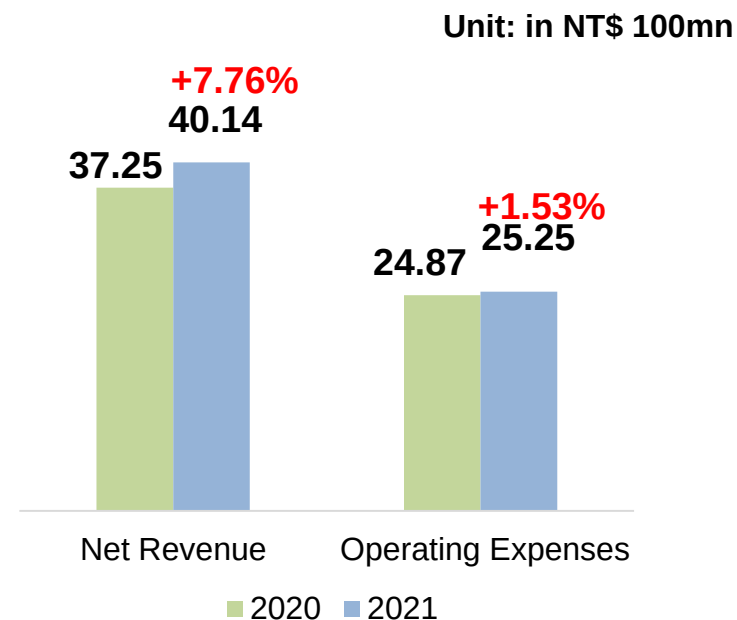
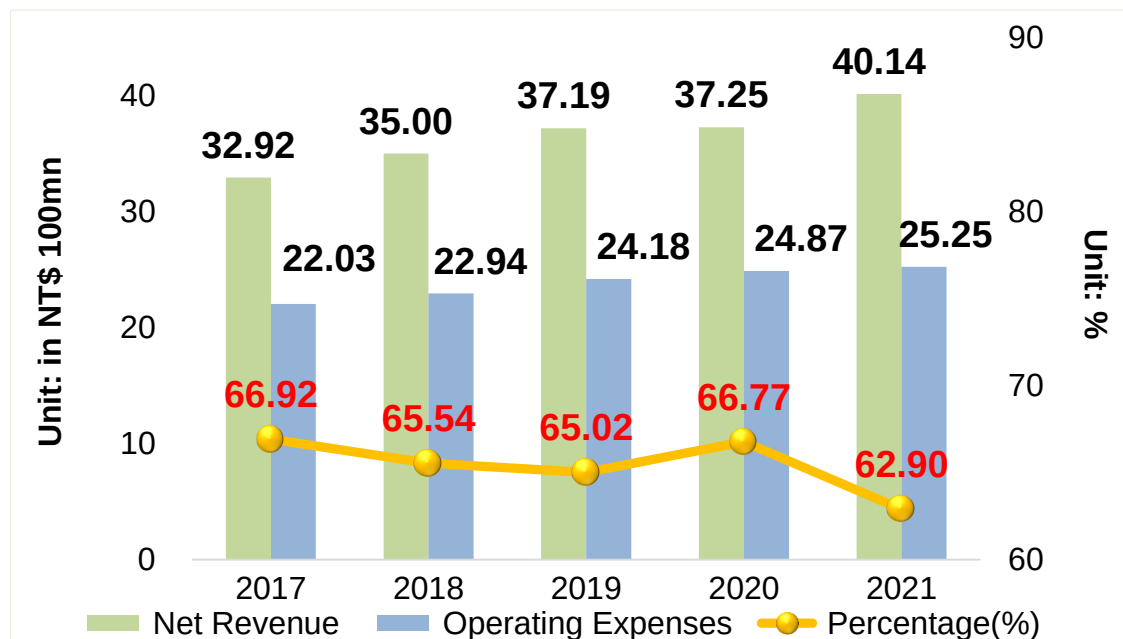


FY	2021	2020
ITEMS		
Trust	1.90	1.74
Insurance fee income	1.63	1.14
Loan	1.57	0.96
Deposit and others	0.89	0.45
Guarantees	0.47	0.46
FX	0.16	0.17
Total	6.62	4.92

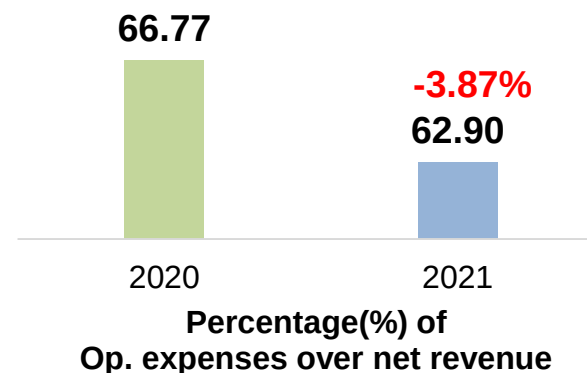
Note: Quintuple Stimulus Voucher brought significant deposit growth.



Operating Expenses

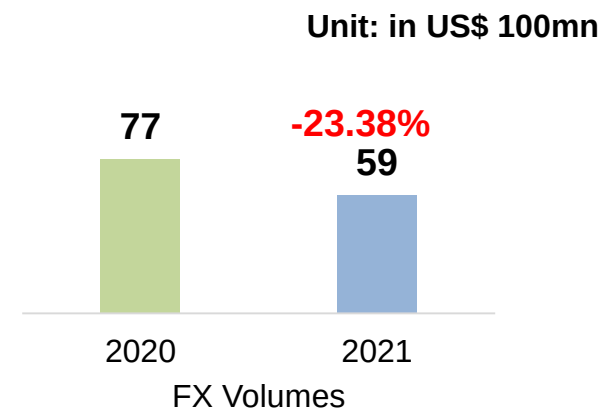
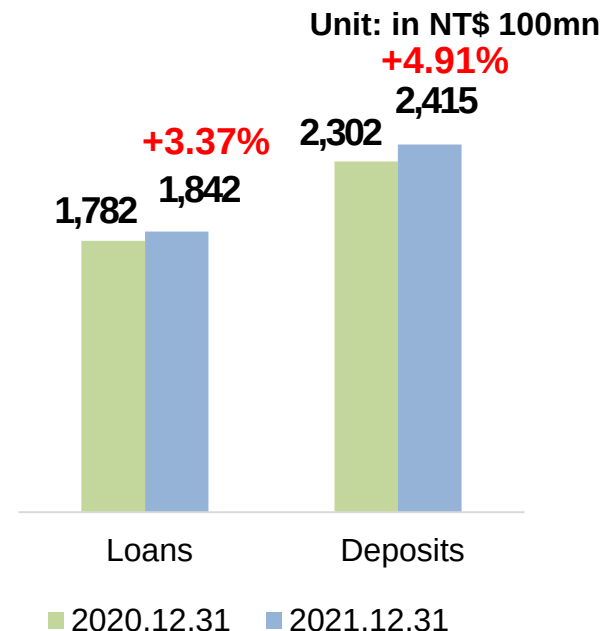
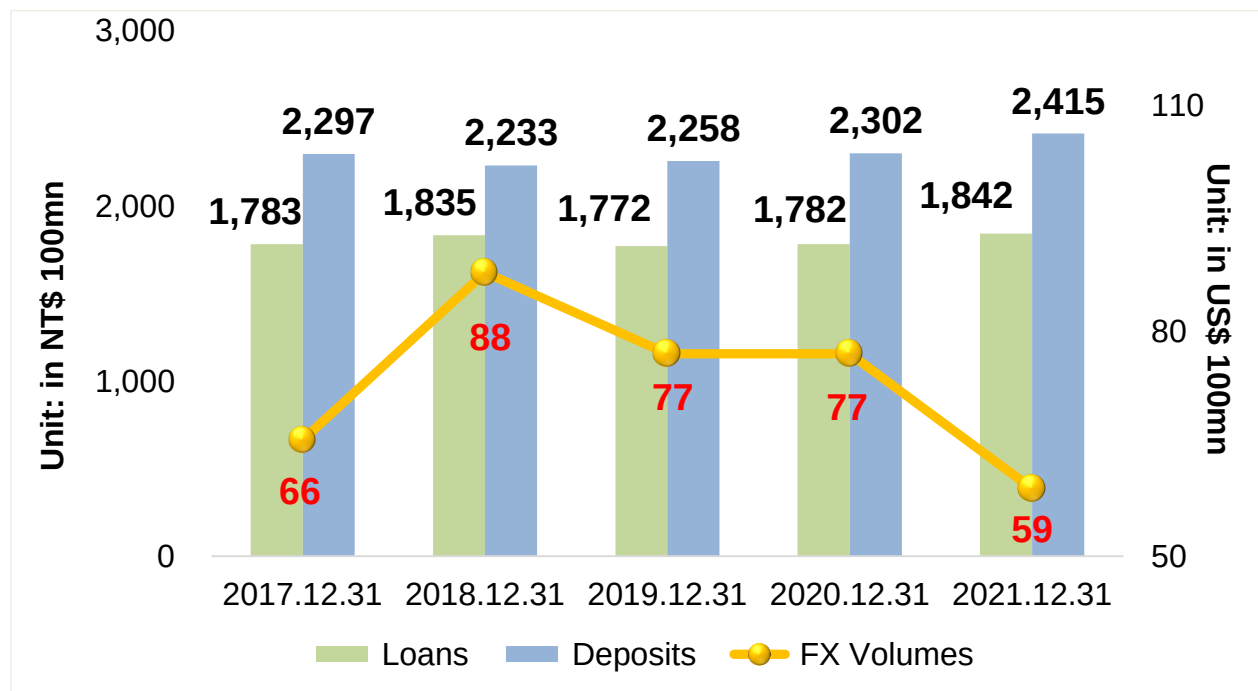


ITEMS \ FY					
	2021	2020	2019	2018	2017
Net Revenue	40.14	37.25	37.19	35.00	32.92
Operating Expenses	25.25	24.87	24.18	22.94	22.03
Percentage(%) of Op. expenses over net revenue	62.90	66.77	65.02	65.54	66.92





Loan 、 Deposit and FX Volumes



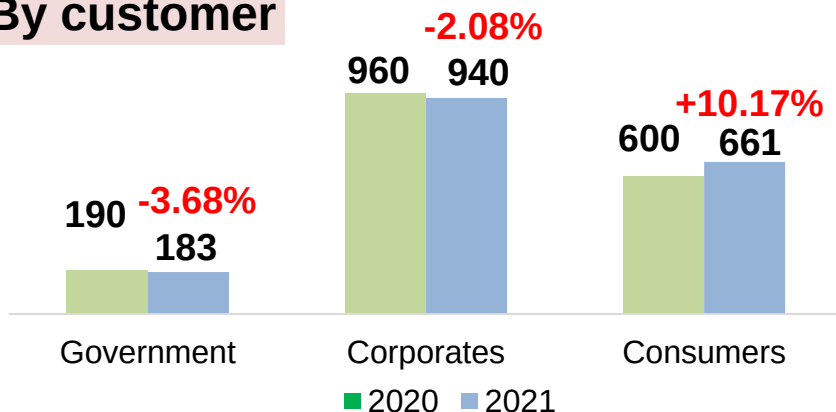
ITEMS	FY				
	2021.12.31	2020.12.31	2019.12.31	2018.12.31	2017.12.31
Loans (include Collection)	1,842	1,782	1,772	1,835	1,783
Deposits	2,415	2,302	2,258	2,233	2,297
FX Volumes	59	77	77	88	66



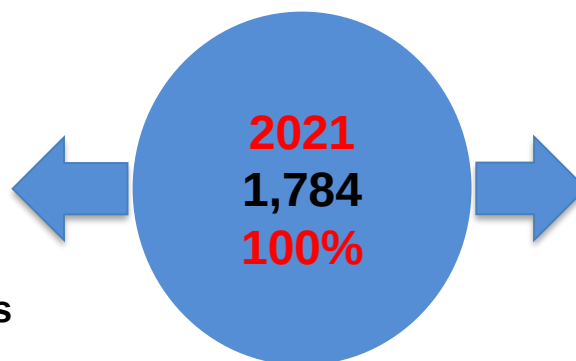
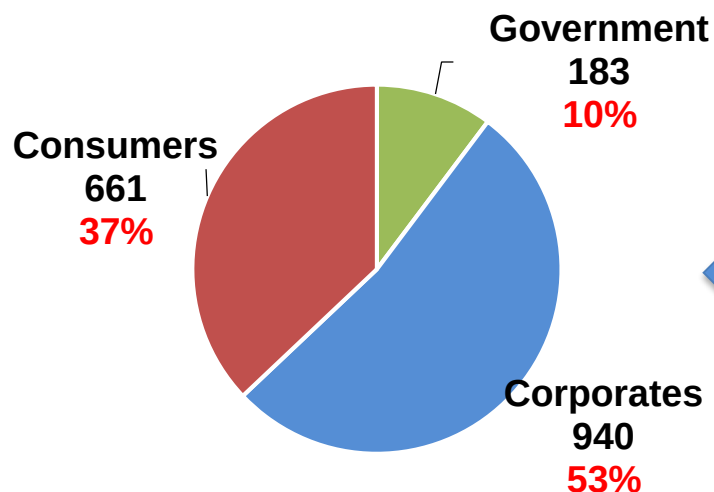
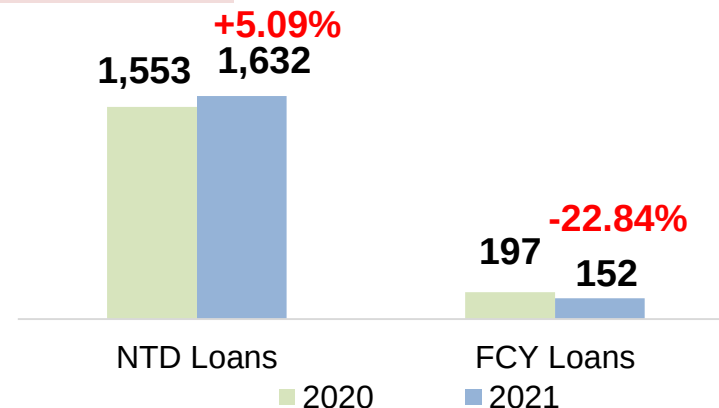
Loan Breakdown(Avg. balance)

Unit: in NTS 100mn

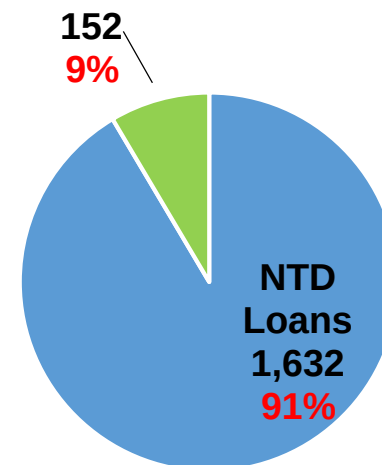
By customer



By currency



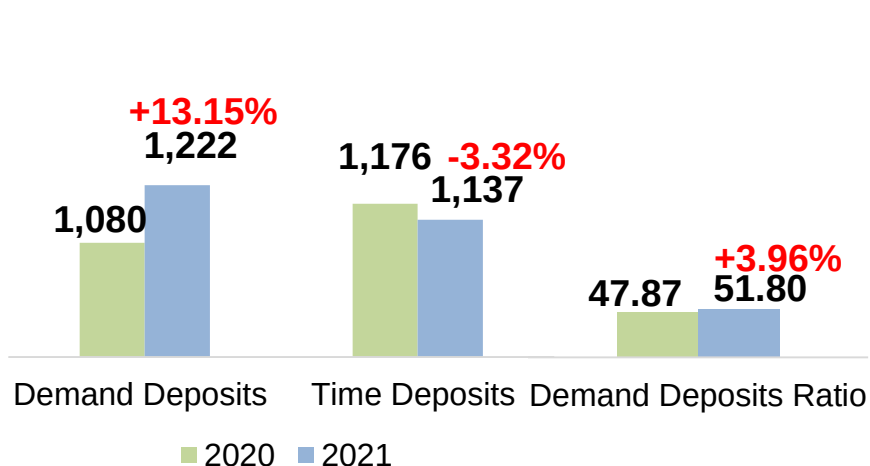
FCY Loans



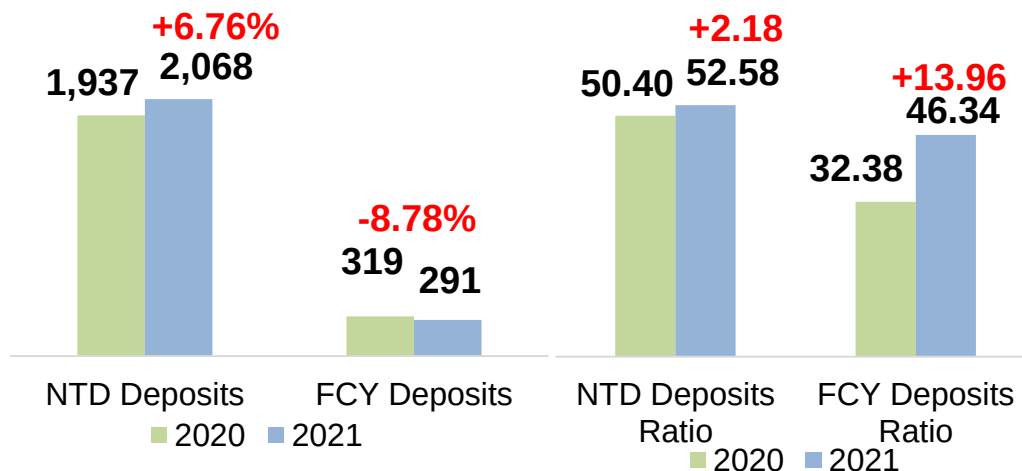


Deposit Breakdown (Avg. balance)

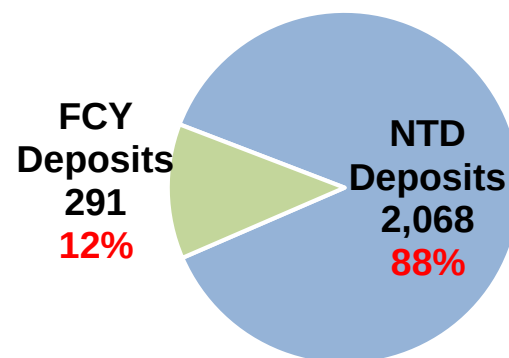
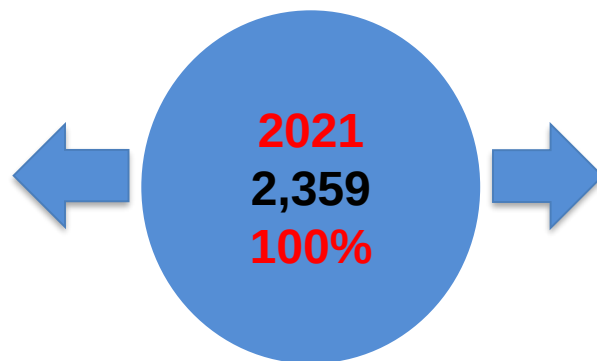
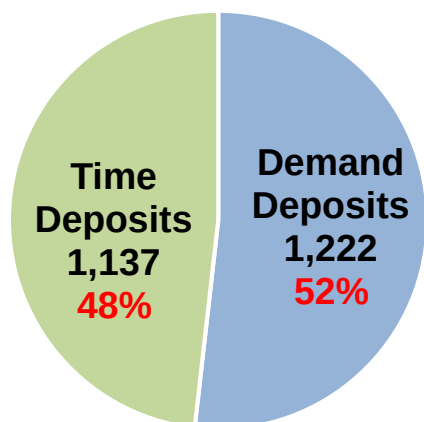
By terms of maturity



By currency

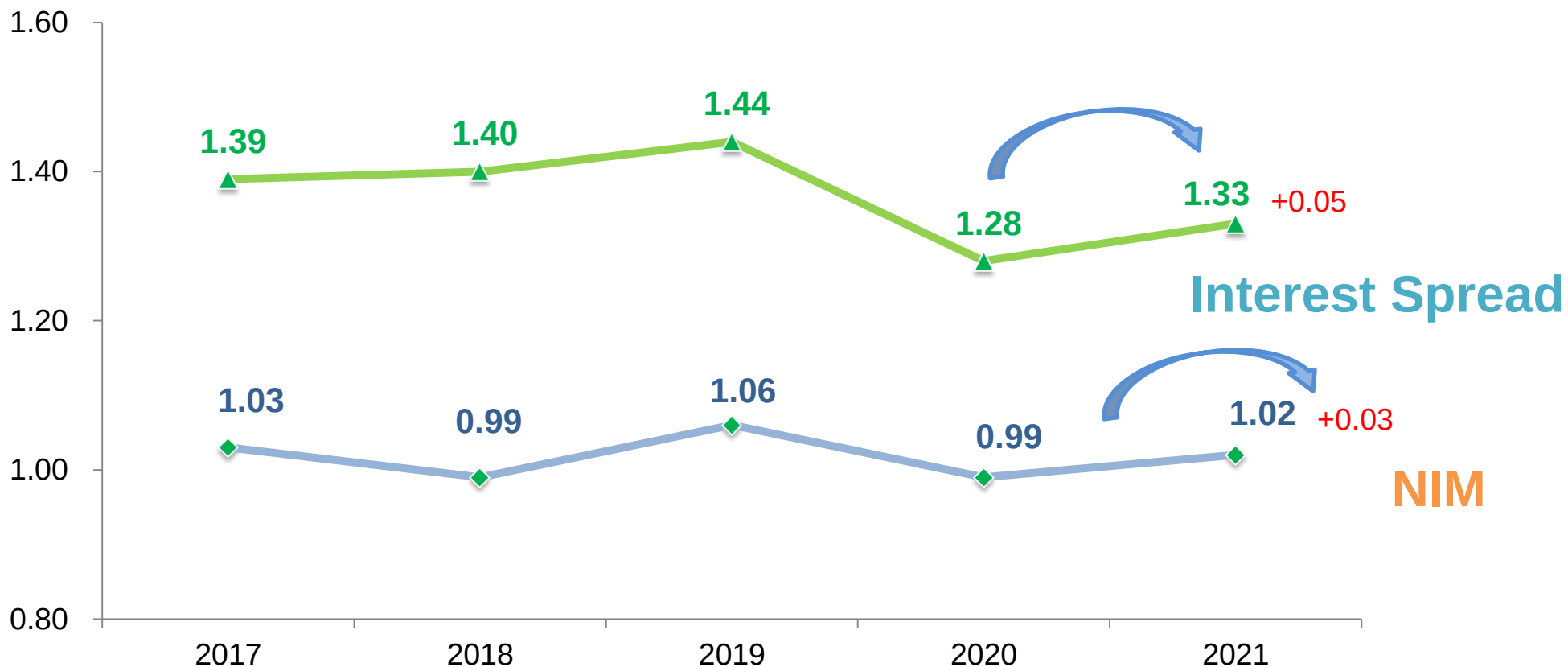


Unit: in NTS 100mn





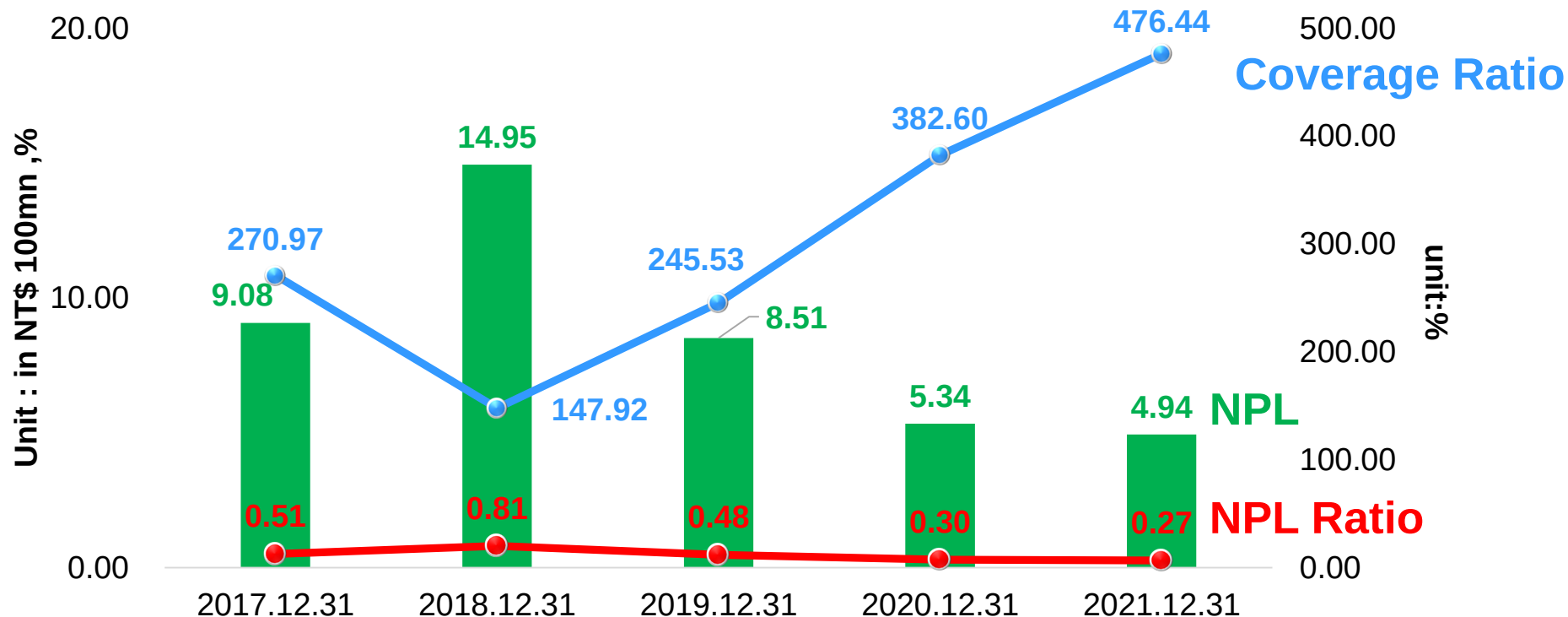
Interest Spread and NIM



Note: Starting from 2020, we actively adjust the structure of NTD deposits by reducing long-term time deposits and increasing demand deposits. Not being affected by interest rate cut of Central Bank, the deposit spread and net interest spread of 2021 still increased compared with 2020.



Assets Quality



FY	2021.12.31	2020.12.31	2019.12.31	2018.12.31	2017.12.31
ITEMS					
NPL(in NT\$ 100mn)	4.94	5.34	8.51	14.95	9.08
NPL Ratio(%)	0.27	0.30	0.48	0.81	0.51
Coverage Ratio(%)	476.44	382.60	245.53	147.92	270.97



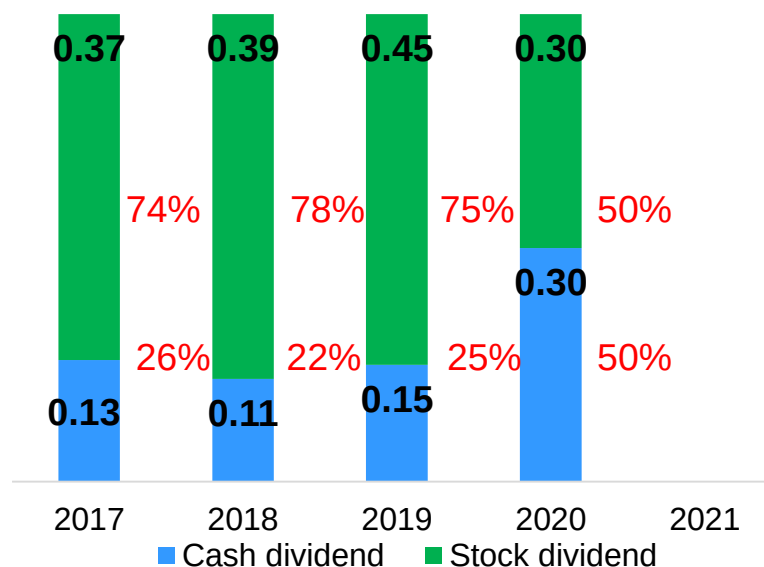
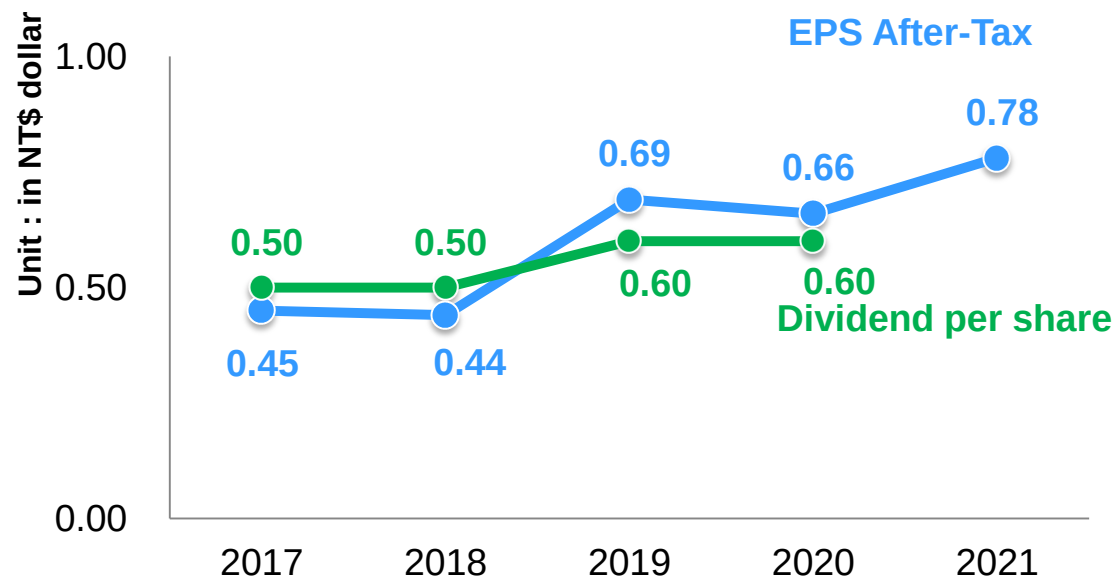
Credit Ratings

Fitch	Domestic Long-Term	Domestic Short-Term	Outlook
2019	AA-(twn)	F1+(twn)	Stable
2020	AA-(twn)	F1+(twn)	Stable
2021	AA-(twn)	F1+(twn)	Stable

Fitch	Long-Term IDR	Short-Term IDR	Outlook
2019	BBB+	F2	Stable
2020	BBB+	F1	Stable
2021	BBB+	F1	Stable



After-tax EPS and Dividend Policy



ITEMS \ FY	2021	2020	2019	2018	2017
EPS After-Tax	0.78	0.66	0.69	0.44	0.45
Dividend per share	-	0.60	0.60	0.50	0.50
Cash dividend	-	0.30	0.15	0.11	0.13
Stock dividend	-	0.30	0.45	0.39	0.37



Prospects





Prospects

Renovating Business Growth Model and Restructuring Business Operations.

I .Enhance Operating Performance.

II .Stabilized The Quality Of Assets.

III .Strengthen Internal Audit and Control.

IV . Accelerate Digital Transformation

For A Better Future Outlook





親切・真誠・好夥伴

Thanks for Listening