



玉山金控 E.SUN FHC



# E.SUN FHC Financial Review of 1Q 2020



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# Agenda

- 2020 1Q Financial Performance
- 2020 1Q Business Operation Overview
- Appendix



# E.SUN FHC Summary

		Unit : NT\$ million	
		2020.03 <sup>/1</sup>	2019.12
Total Assets	FHC	2,597,644	2,498,358
	Bank	2,583,866	2,481,011
	Securities	13,500	14,991
	Venture Capital	3,012	3,462
Key Financials	Book value per share (NT\$)	15.15	14.89
	Double Leverage Ratio	103.98%	103.88%
	FHC CAR	126.10% <sup>/2</sup>	126.10%
Channels	Bank – domestic	139	139
	Oversea channels	Branch: HK, LA, Singapore, Vietnam, Myanmar, Japan, Sydney, Brisbane Subsidiary: China and Cambodia (UCB) Representative office in Hanoi 28 overseas sites	
	Securities - branches	17	17

Note: 1.Preliminary figures of Mar. 2020

2.Audit figures of Dec. 2019

3.Share owned by QFII: 41.17%, as of Mar. 31, 2020.



# 1Q20 Business and Financial Review

## Financial Performance

- For 1Q20, E.SUN FHC's net revenues was NT\$14.0 billion (+3.6%, yoy). Net profit was NT\$4.5 billion, (-12.9%, yoy).
- E.SUN Bank's net profit was NT\$5.0 billion, up by 0.1% (yoy).
- EPS NT\$0.39, ROE 10.40%, ROA 0.71%.

## Business Operation

- Net fee income NT\$5.0 billion, up by 23.3% (yoy); Wealth management fee income NT\$2.4 billion, up by 36% (yoy). Both numbers are record high for the first quarter of E.SUN.
- Credit card fee income grew by 4.1% (yoy). E.SUN had the highest increase in active cards and card consumption among peers in 1Q20.
- Loan growth was 9.2% ; Deposit and FX deposit grew by 9.6% and 26.4% respectively (yoy).
- Asset quality was benign, NPL ratio at 0.19% and coverage ratio at 615.5%.

## Highlights

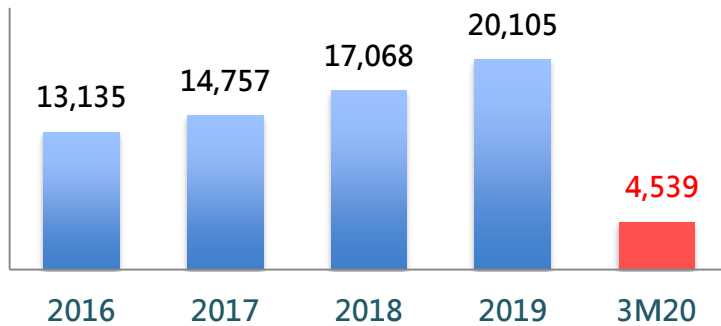
- Balanced dividend policy: The Board of Directors approved to pay NT \$1.588 per share, including \$0.791 in cash and \$0.797 in stock (subject to decision from the AGM on June 12<sup>th</sup> ).
- Excellence in overall performance: “Best Bank in Taiwan” by Global Finance; “The Most Valuable Banking Brand in Taiwan” and worldwide Top 10 credit card brand value by The Banker.
- Corporate Governance: Top 5% in CG evaluation by TWSE for the 6th consecutive year, the longest winning streak by any Taiwanese financial institution.



# Financial Performance

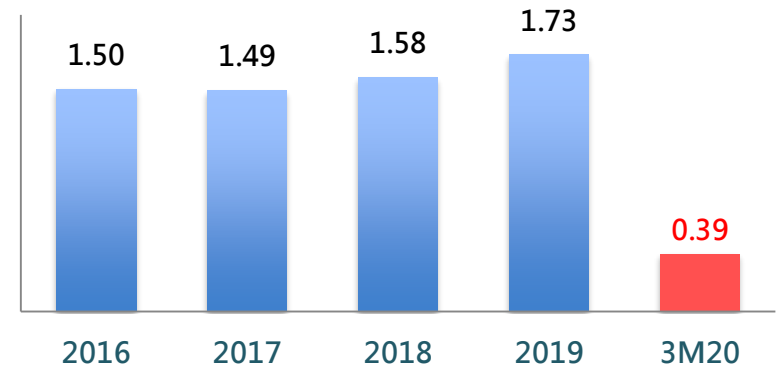
## Net Profit

Unit: NT\$ million

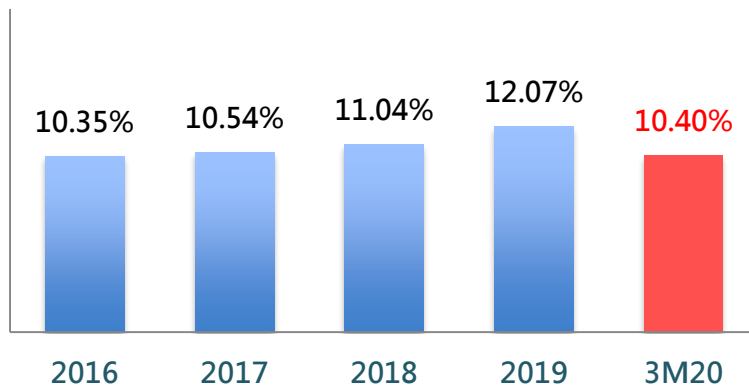


## EPS

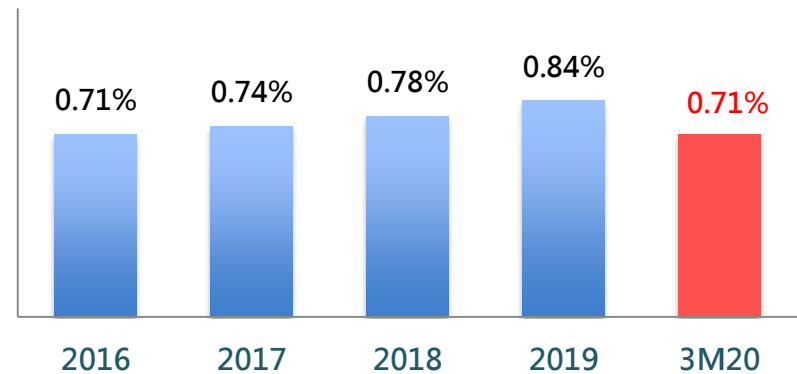
Unit: NT\$ dollars



## ROE



## ROA

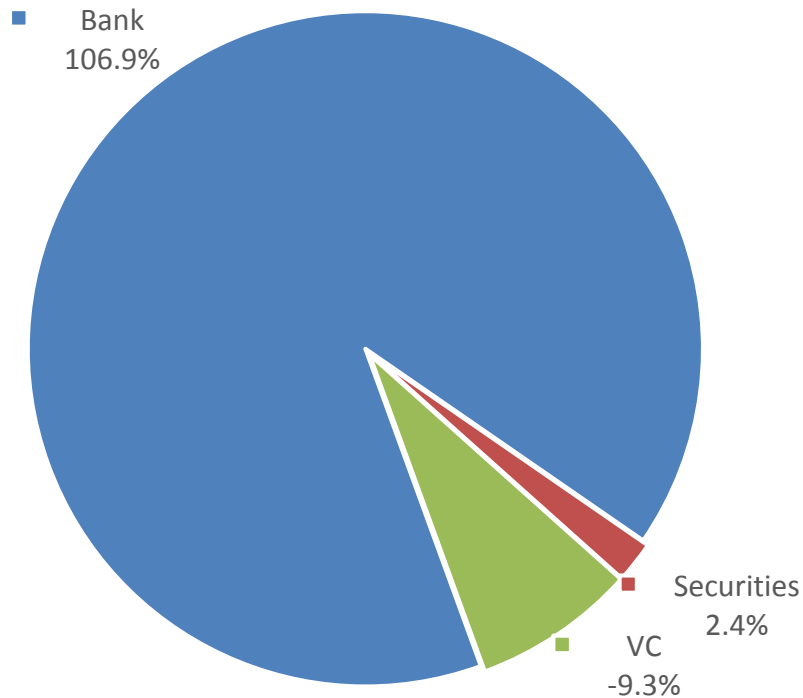


Note: Preliminary figures of Mar. 2020



# Net Income of FHC & its Subsidiaries

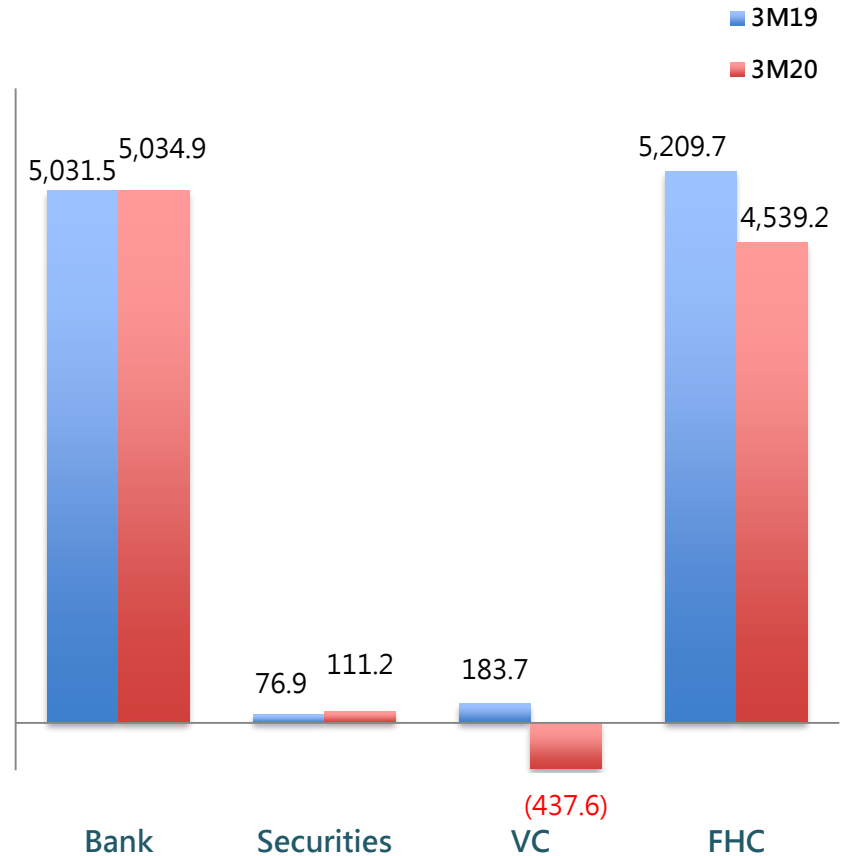
## Contribution by Subsidiaries



Note: Preliminary figures of Mar. 2020

## Net Income of FHC and its Subsidiaries

Unit: NT\$ million

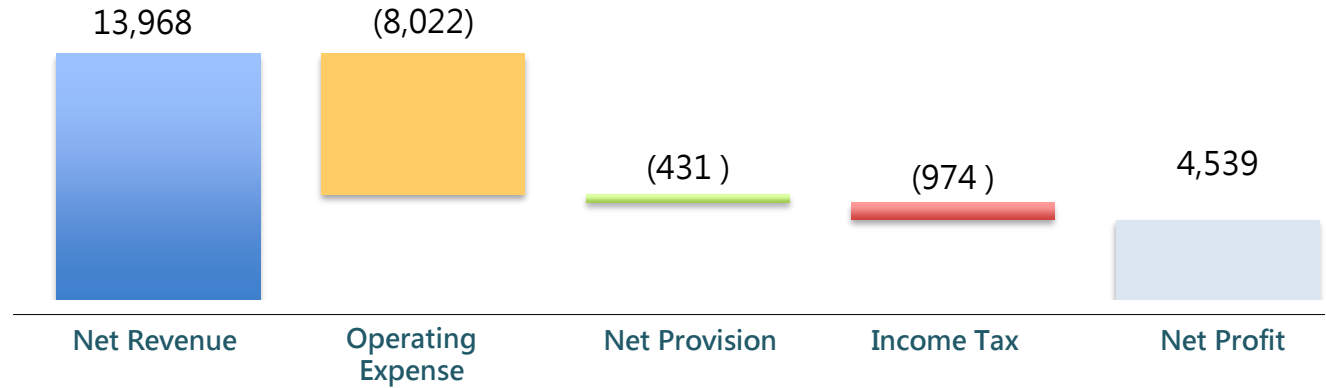




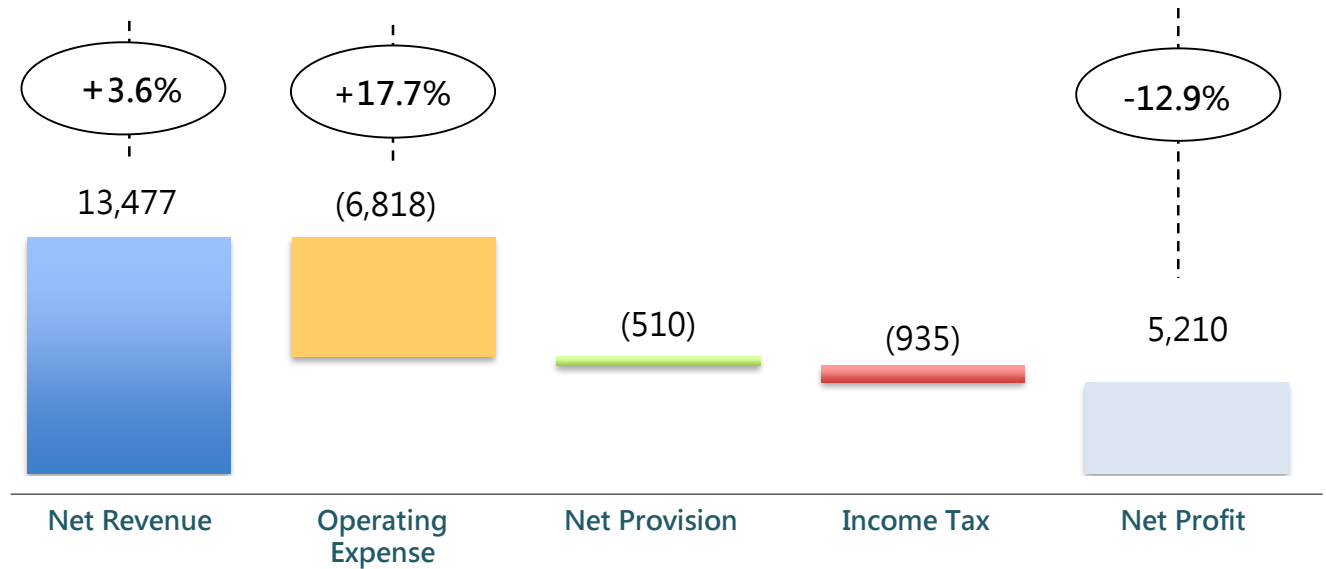
# Net Profit Breakdown

Unit: NT\$ million

## 3M20 P&L



## 3M19 P&L



Note: Preliminary figures of Mar. 2020



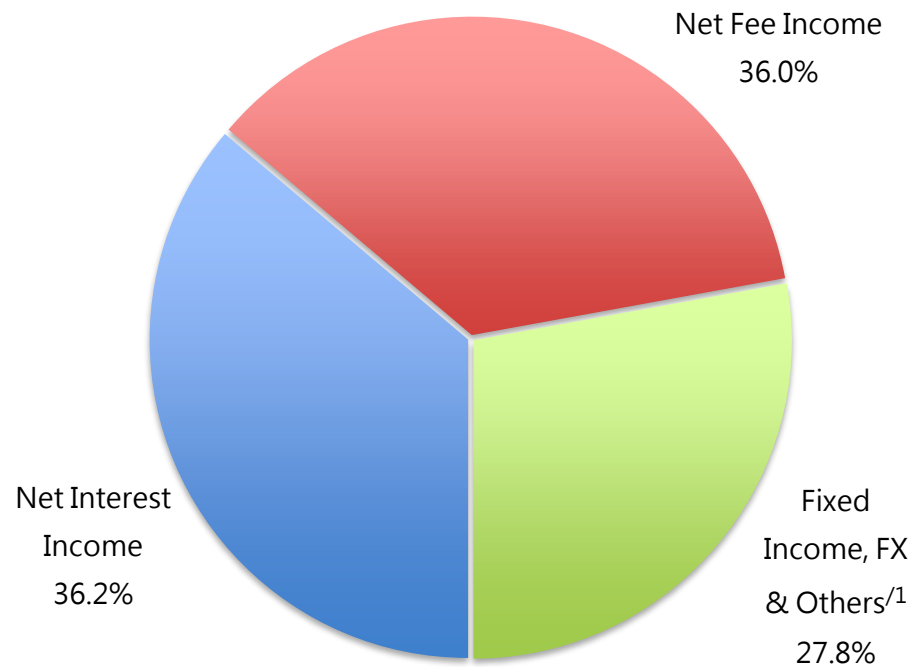


# FHC Revenue Breakdown

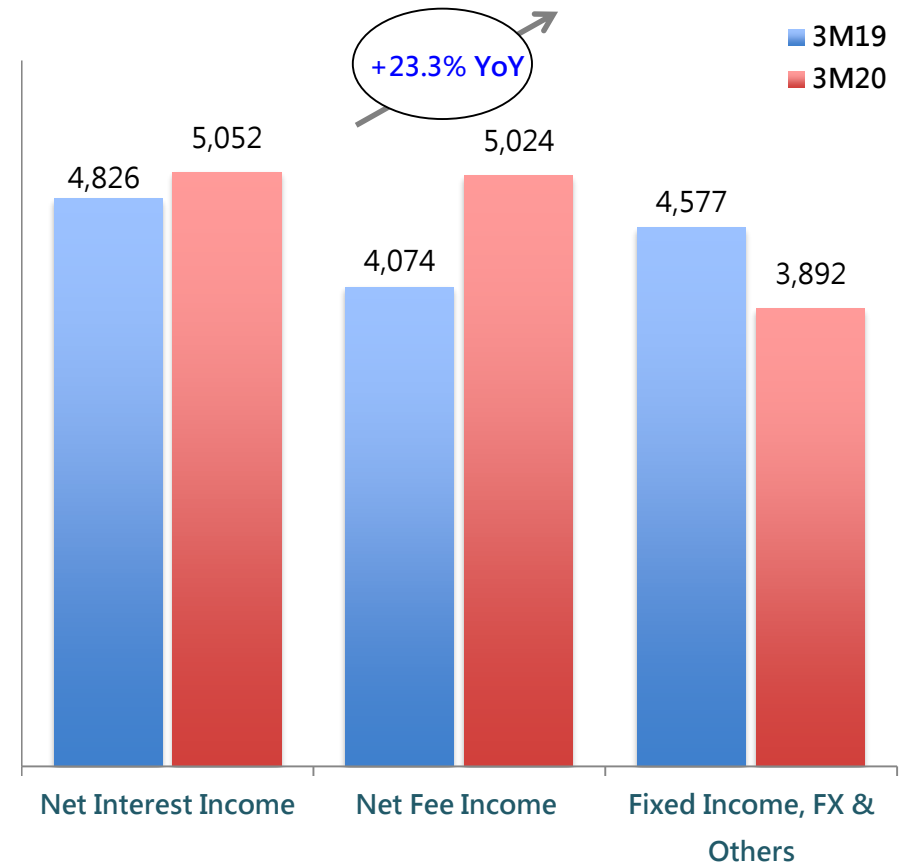
Total Net Revenue  
NT\$ 13,968 million

## YoY Comparison

Unit: NT\$ million



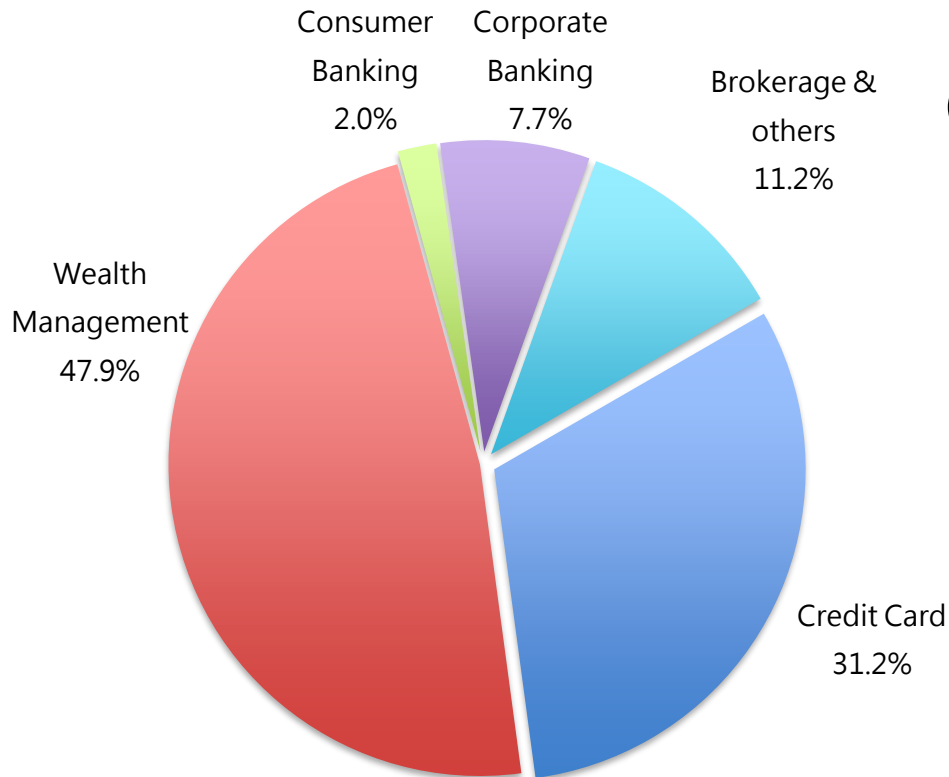
Note: 1. 67.3% of "Fixed income, FX & Others" is associated with fixed income investment  
2. Preliminary figures of Mar. 2020





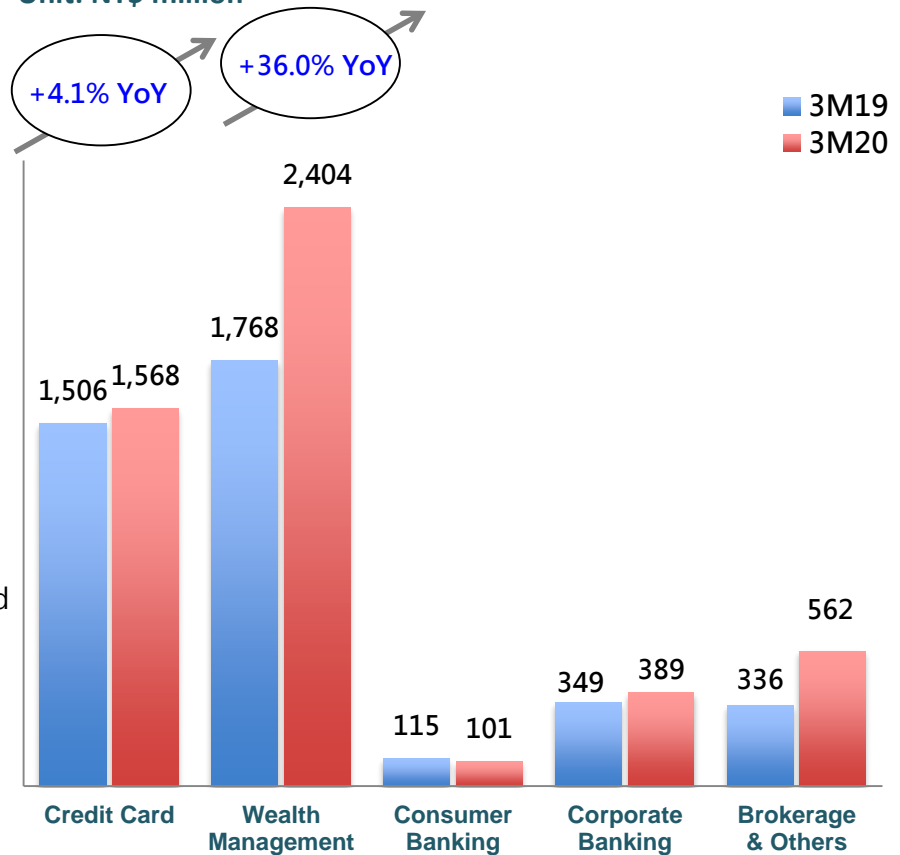
# Net Fee Income Breakdown

Total Net Fee Income  
NT 5,024 million



YoY Comparison

Unit: NT\$ million



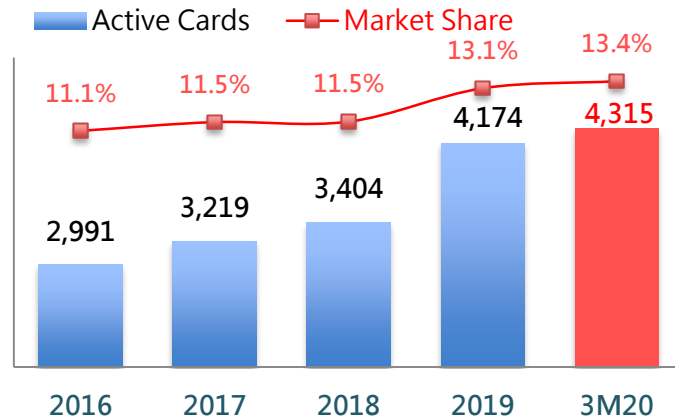
Note: Preliminary figures of Mar. 2020



# Credit Card Business Breakdown

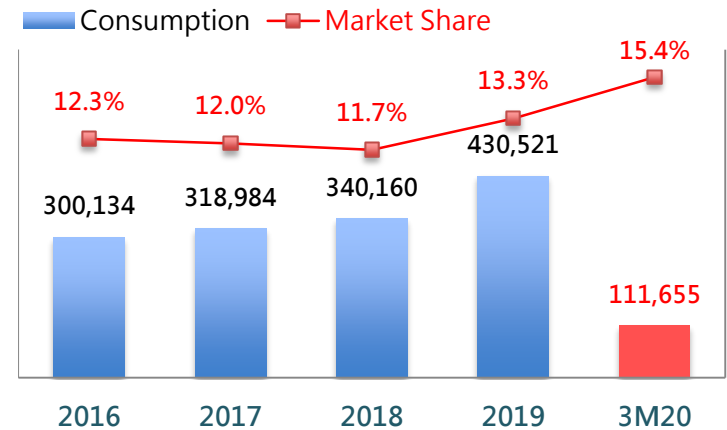
## Active Cards

Unit: Thousand Cards, %



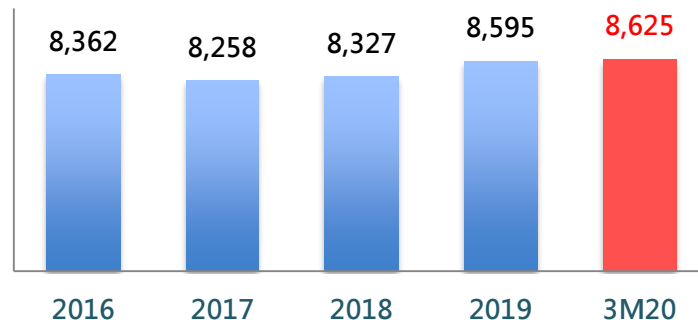
## Card Consumption

Unit: NT\$ million



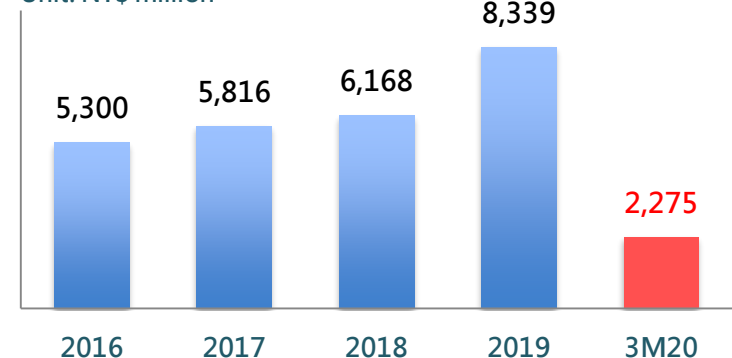
## Per Card Spending (Monthly)

Unit: NT\$ dollar



## Gross Fee Income

Unit: NT\$ million





# Deposit and Loan Structure

Unit: NT\$ Bn

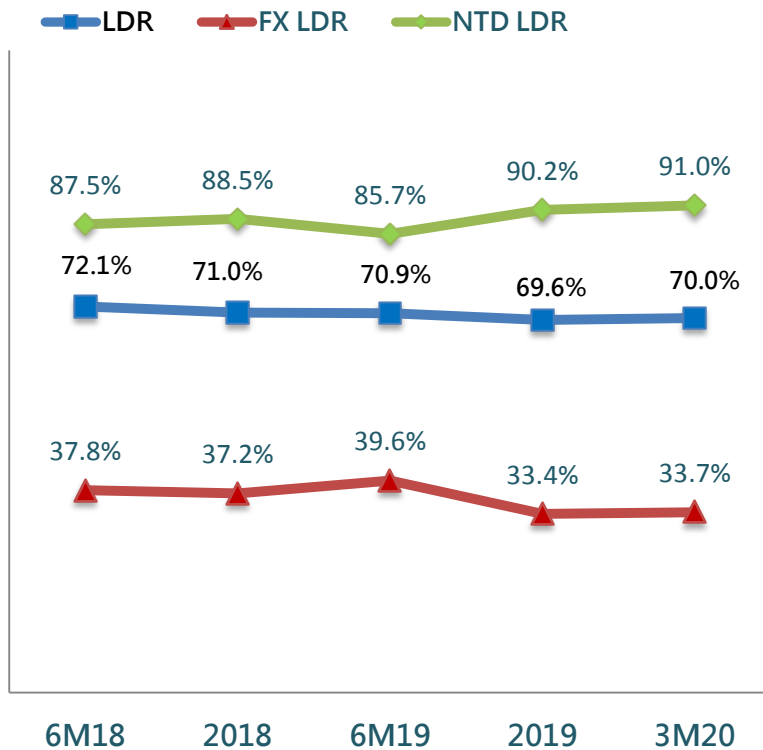
Category	2020.3	QoQ Growth %	2019	YoY Growth %	2019.3
Total Deposits	2,089.4	2.1%	2,045.5	9.6%	1,906.1
Demand Deposits	831.6	2.0%	814.9	4.8%	793.5
Time Deposits	485.7	-1.2%	491.6	-3.2%	501.6
FCY Deposits	772.1	4.5%	739.1	26.4%	611.0
Total Loans <sup>/1</sup>	1,462.2	2.7%	1,424.0	9.2%	1,339.6
Corporate Loans	728.9	3.1%	706.7	8.0%	674.8
SME Loans	373.6	2.4%	365.0	8.6%	344.1
FCY Loans	260.0	5.4%	246.6	6.5%	244.2
Consumer Loans	733.3	2.2%	717.3	10.3%	664.7
Mortgage Loan	337.4	4.0%	324.4	19.2%	283.0
Unsecured Personal Loan	110.1	0.6%	109.4	5.8%	104.0
Credit Card Revolving Balance	13.2	-2.0%	13.5	6.2%	12.5

Note: Not including loan balance of subsidiaries NT\$ 38 billion



# Deposit Structure

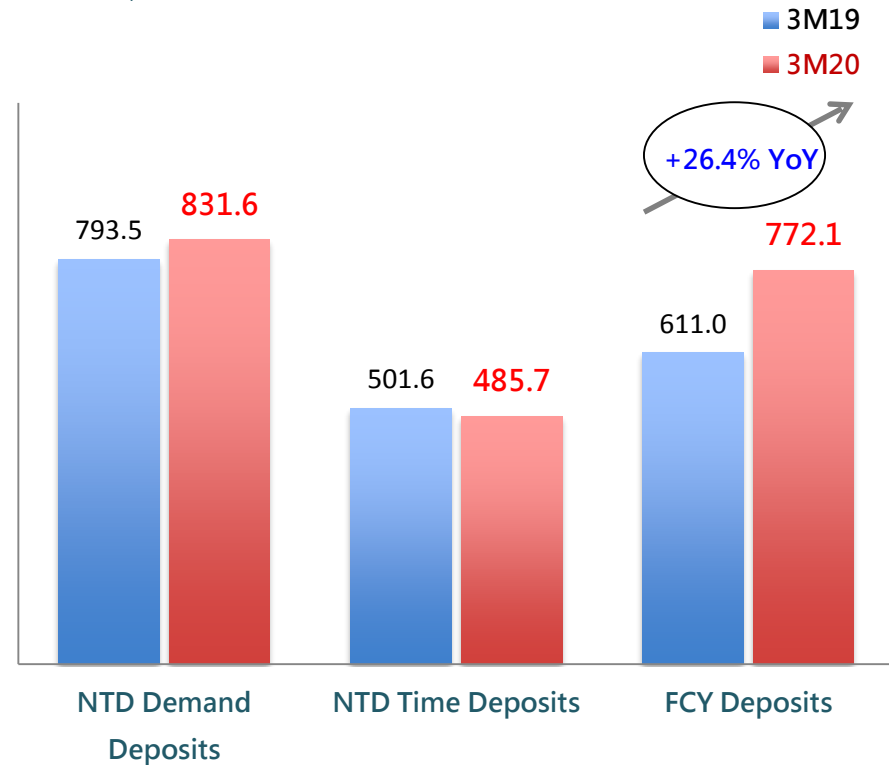
## Loan to Deposit Ratio



Note: Data of E.SUN Bank

## Deposit Structure

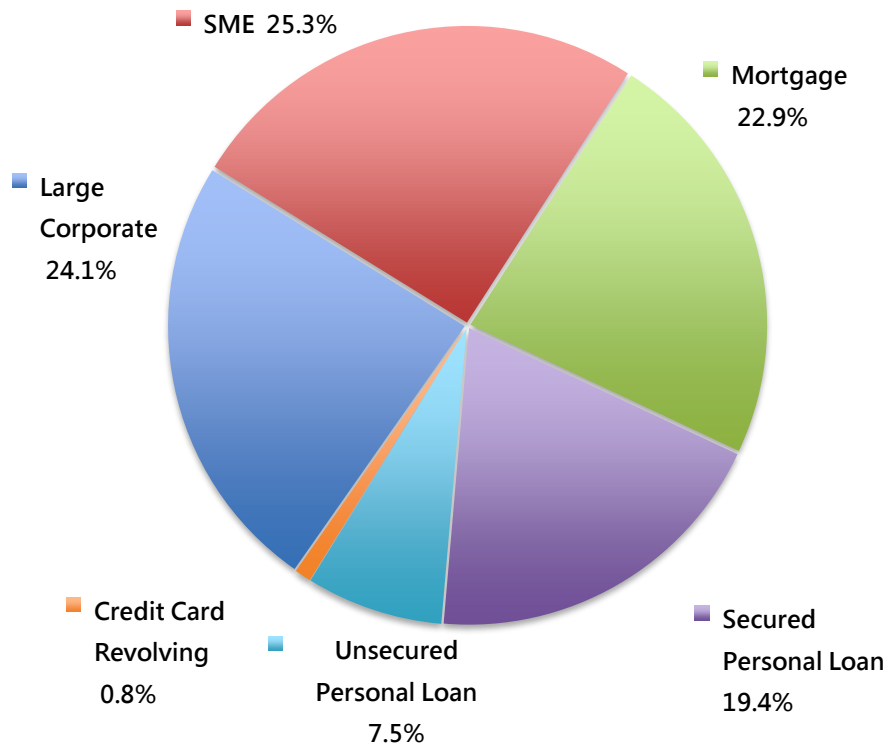
Unit: NT \$Bn





# Loan Portfolio Breakdown

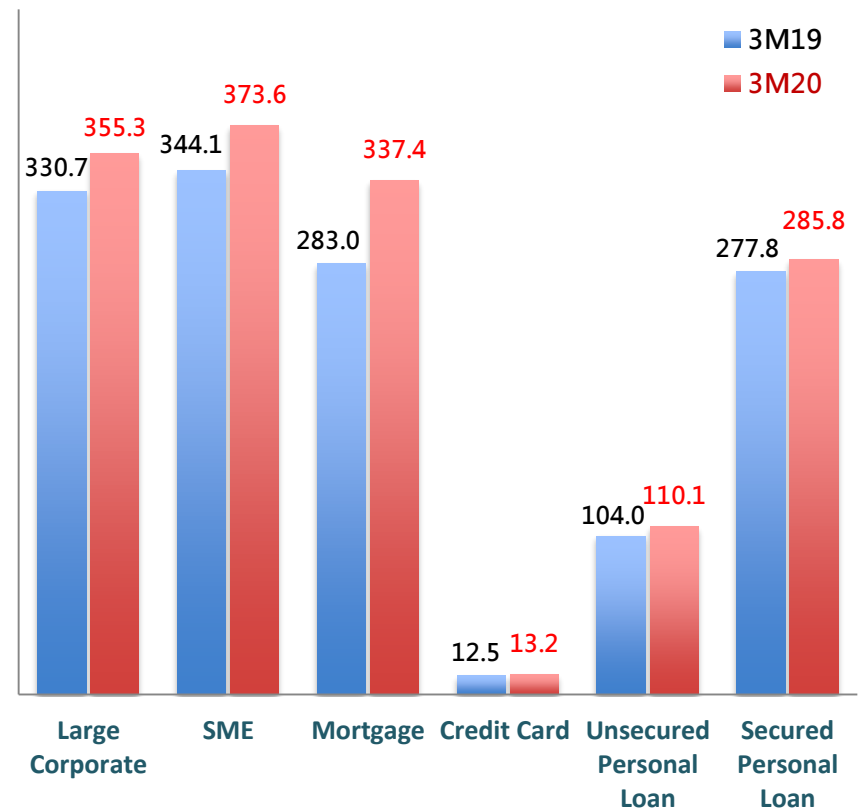
Total Loan  
NT\$ 1,475.4 billion



Note: 1. Secured Personal Loan is fully collateralized by fixed asset  
2. Excluded loan of subsidiaries

## YoY Comparison

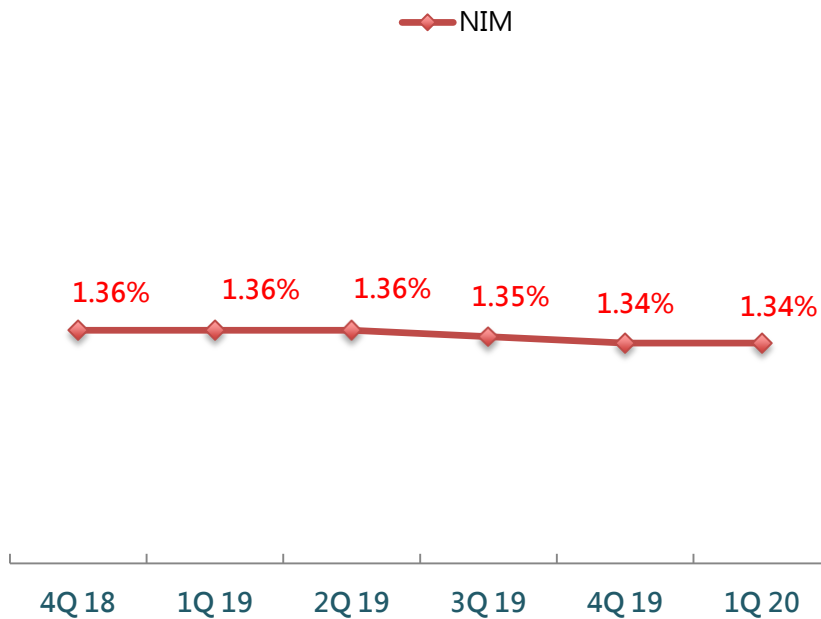
Unit: NT\$ Bn





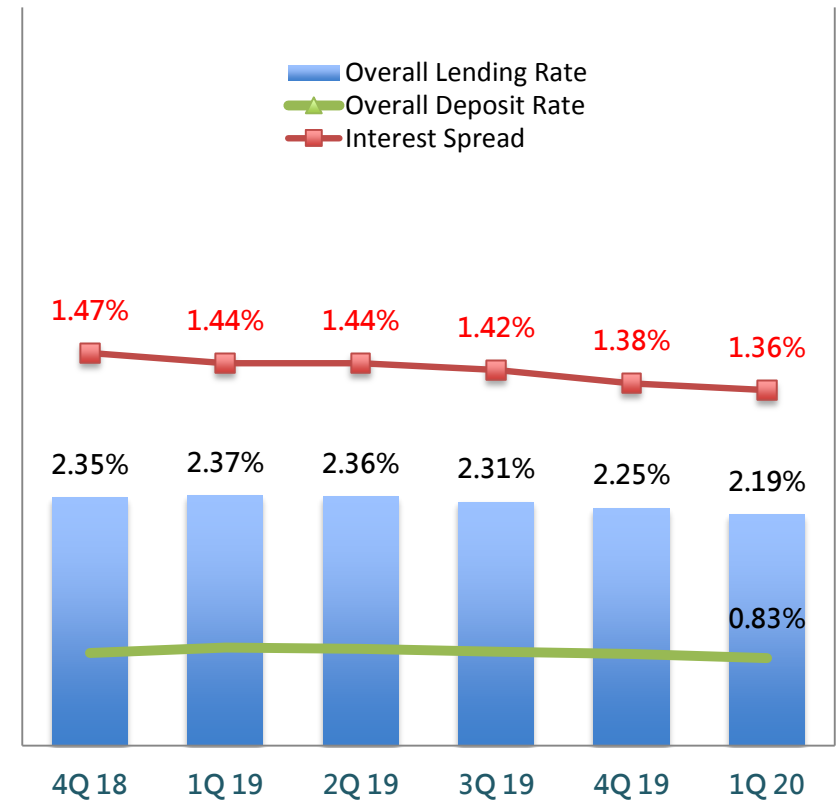
# NIM and Spread

## Quarterly Net Interest Margin



Note: Data of E.SUN Bank

## Quarterly Interest Spread

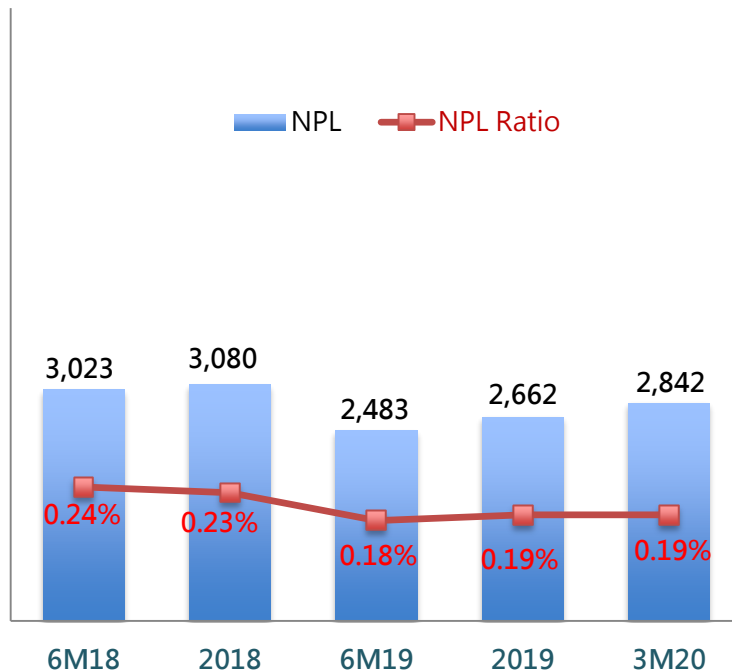




# Superior Asset Quality 1/3

## NPL Ratio(%)

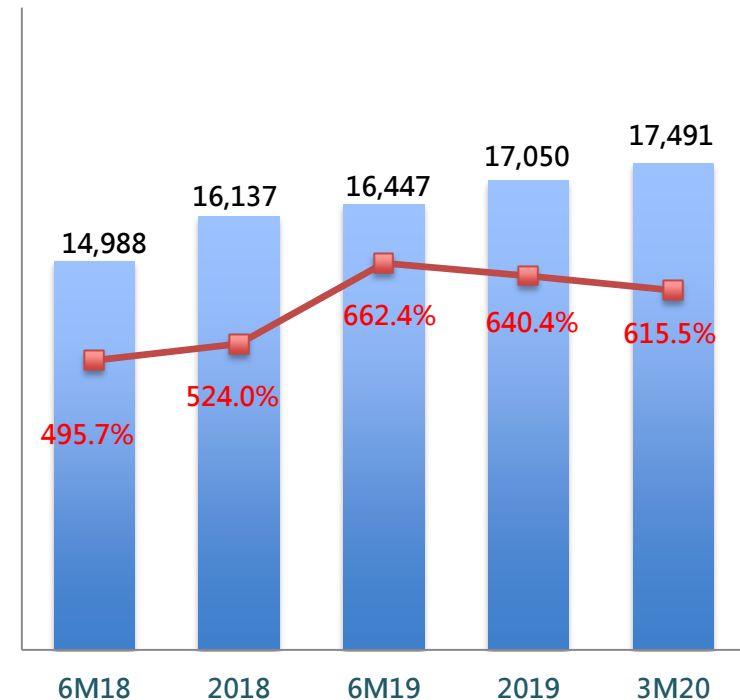
Unit: NT\$ million



## Coverage Ratio(%)

Unit: NT\$ million

Loan Loss Reserve Coverage Ratio



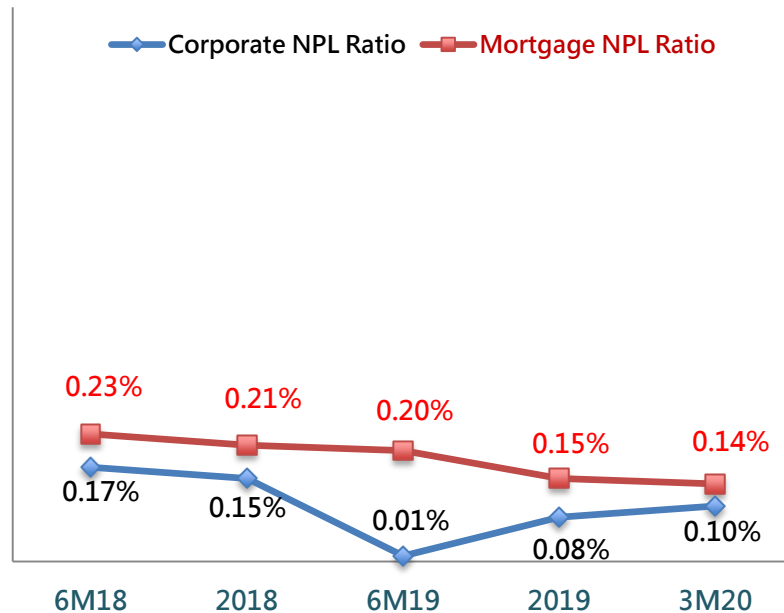
Note: Data of E.SUN Bank





# Superior Asset Quality 2/3

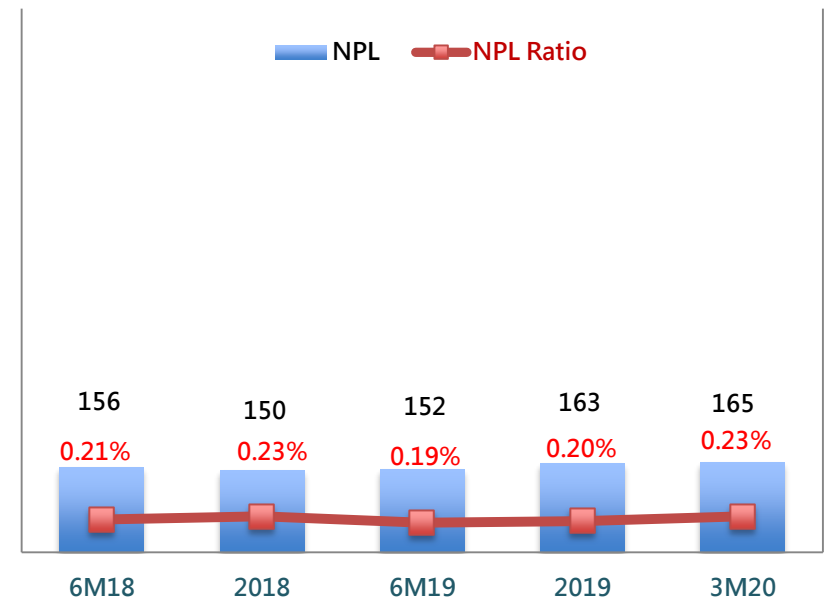
## NPL Ratio for Major Products



Note: Data of E.SUN Bank

## NPL Ratio for Credit Card

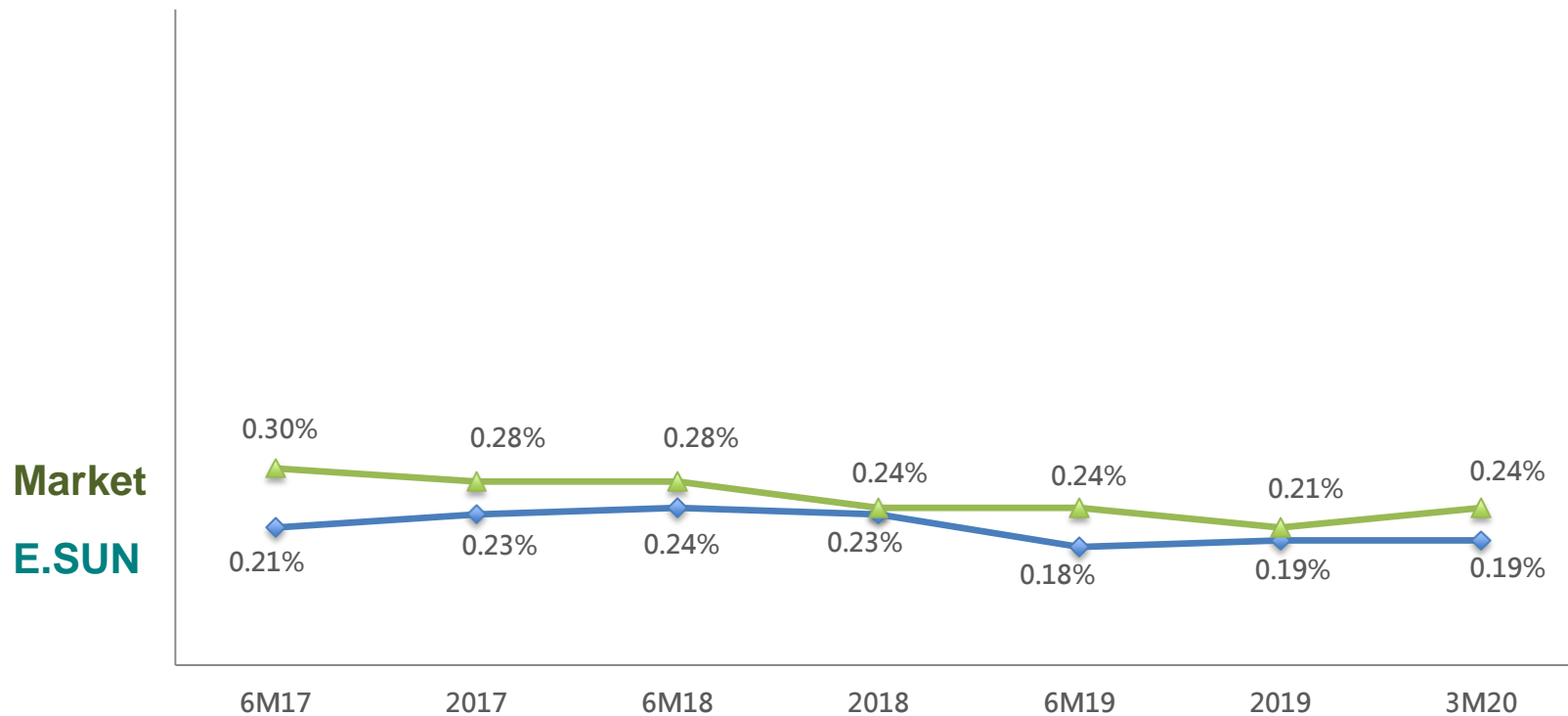
Unit: NT\$ million





# Superior Asset Quality 3/3

## NPL Comparison with Market



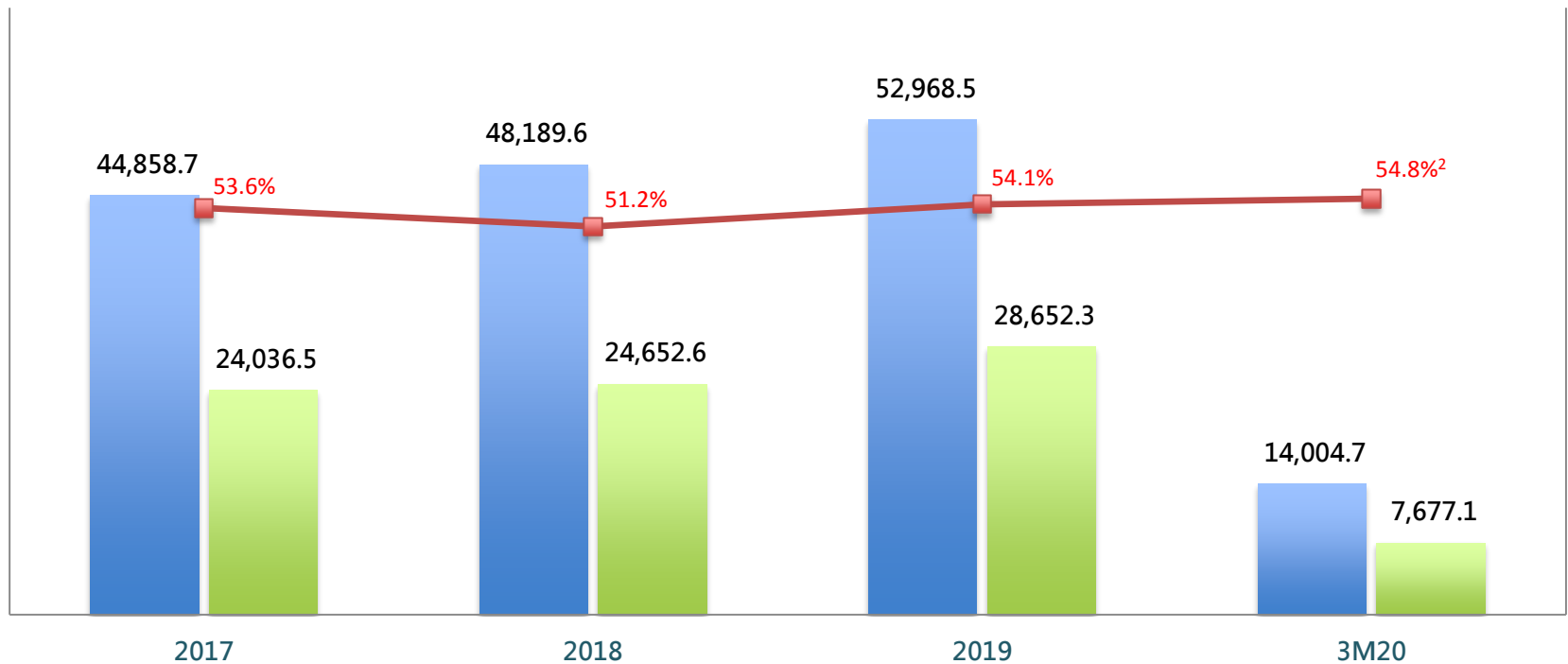
Source : FSC



# Cost-Income Ratio

Unit: NT\$ million

Net Revenue    Operating Expense(exclu. provision)    Cost Income Ratio

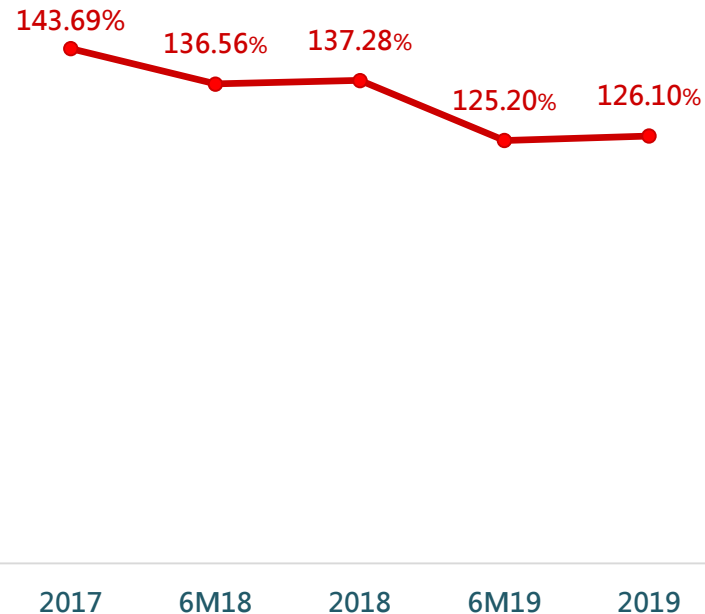


Note: 1. Data of E.SUN Bank  
2. Preliminary figures of Mar. 2020

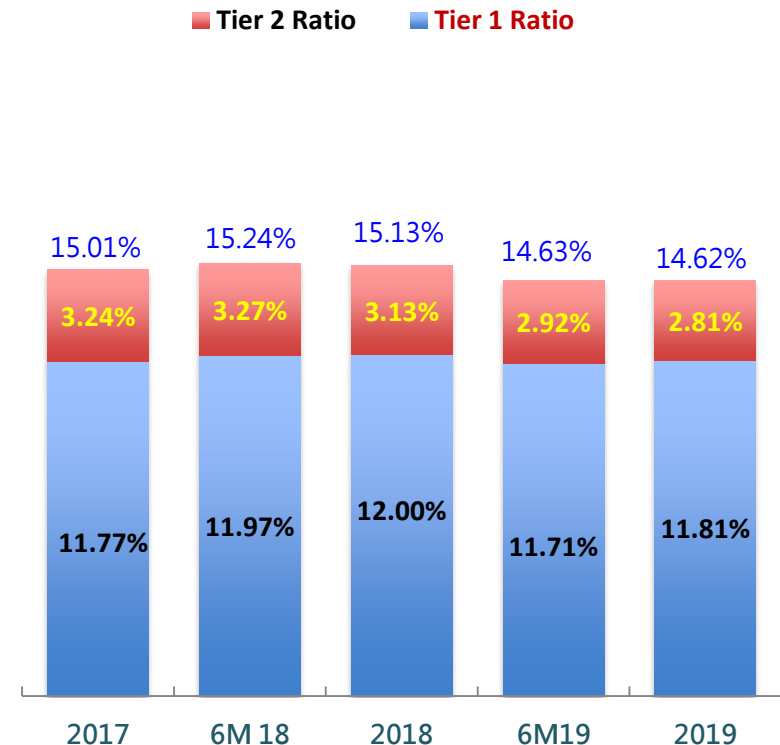


# Capital Adequacy Ratio

## FHC CAR Ratio



## Bank BIS Ratio



Note: 1. Audit figures of Dec. 2019  
2. BIS of E.SUN Bank standalone



# Thank You

- ❖ If you wish to know more about E.SUN, please visit our website site ([www.esunfhc.com.tw](http://www.esunfhc.com.tw)) for more information.
- ❖ If you have further questions, please feel free to contact us through email or conference call
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## Balance Sheet of E.SUN FHC and its subsidiaries for 1Q2020

NT\$ million	E.SUN Bank (Consolidated)	E.SUN Securities (Consolidated)	E.SUN Venture Capital	E.SUN FHC (Standalone)	E.SUN FHC (Consolidated)
<b>Assets :</b>					
Cash and due from banks	138,091	1,960	79	348	138,734
Securities, net	800,023	1,267	2,894	81	804,472
Loans, net	1,483,103	0	0	0	1,483,103
A/R, net	100,873	7,193	4	141	108,062
Land, premises and equipments, net	32,611	329	0	11	32,953
Others	29,164	2,732	35	185,098	30,320
<b>Total assets</b>	<b>2,583,865</b>	<b>13,481</b>	<b>3,012</b>	<b>185,679</b>	<b>2,597,644</b>
<b>Liabilities:</b>					
Deposits	2,125,245	0	0	0	2,122,389
Other liabilities	283,880	8,068	79	9,646	299,091
<b>Total liabilities</b>	<b>2,409,125</b>	<b>8,068</b>	<b>79</b>	<b>9,646</b>	<b>2,421,480</b>
<b>Total stockholders' equity</b>	<b>174,740</b>	<b>5,413</b>	<b>2,933</b>	<b>176,033</b>	<b>176,164</b>
<b>Total equity attributable to owners of the company</b>	<b>174,607</b>	<b>5,413</b>	<b>2,933</b>	<b>176,033</b>	<b>176,033</b>
<b>Non-Controlling interests</b>	<b>133</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>131</b>
<b>Total liabilities and stockholders' equity</b>	<b>2,583,865</b>	<b>13,481</b>	<b>3,012</b>	<b>185,679</b>	<b>2,597,644</b>

Note: Preliminary figures of Mar. 2020



## P&L of E.SUN FHC and its subsidiaries for 1Q2020

NT\$ million	E.SUN Bank (Consolidated)	E.SUN Securities (Consolidated)	E.SUN Venture Capital	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Operating income					
Net interest income	4,989	76	0	(15)	5,052
Net fee income	4,671	354	0	0	5,024
Net trading income/(loss) & Derivatives & FX	4,108	(11)	(446)	0	3,651
Others	236	28	0	4,726	241
Total Net Revenues	14,004	447	(446)	4,711	13,968
Allowance for bad-debt expenses	(431)	0	0	0	(431)
Operating expenses	(7,677)	(296)	(4)	(85)	(8,022)
Income before income tax	5,896	151	(450)	4,626	5,515
Income tax expenses	(859)	(40)	13	(87)	(974)
Net Income	5,037	111	(437)	4,539	4,541
Attributable to owners of the company	5,035	111	(437)	4,539	4,539
Non-controlling interests	2	0	0	0	2

Note: Preliminary figures of Mar. 2020



## E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results Quarterly			Quarterly Results				
	2017	2018	2019	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20
Assets :								
Cash and due from banks	131,175	132,444	128,579	135,466	130,863	118,743	128,579	138,734
Securities, net	577,285	660,622	742,487	719,526	690,573	717,834	742,487	804,472
Loans, net	1,211,071	1,333,277	1,444,322	1,352,561	1,384,938	1,414,961	1,444,322	1,483,103
A/R, net	94,083	93,451	113,150	92,944	111,795	119,149	113,150	108,062
Land, premises and equipments, net	28,209	32,605	33,351	32,750	32,809	33,353	33,351	32,953
Others	32,565	35,388	36,469	37,513	35,359	38,257	36,469	30,320
Total assets	2,074,388	2,287,787	2,498,358	2,370,760	2,386,337	2,442,297	2,498,358	2,597,644
Liabilities:								
Deposits	1,711,175	1,885,885	2,082,070	1,930,403	1,951,424	2,017,635	2,082,070	2,122,389
Other liabilities	214,265	241,772	243,107	273,490	270,472	255,538	243,107	299,091
Total liabilities	1,925,440	2,127,657	2,325,177	2,203,893	2,221,896	2,273,173	2,325,177	2,421,480
Total stockholders' equity	148,948	160,130	173,181	166,867	164,441	169,124	173,181	176,164
Total equity attributable to owners of the company	148,842	160,014	173,058	166,748	164,327	169,004	173,058	176,033
Non-Controlling interests	106	116	123	119	114	120	123	131
Total liabilities and stockholders' equity	2,074,388	2,287,787	2,498,358	2,370,760	2,386,337	2,442,297	2,498,358	2,597,644

Note: Preliminary figures of Mar. 2020





## E.SUN FHC's P&L account (Consolidated)

NT\$ million	Yearly Results Quarterly			Quarterly Results				
	2017	2018	2019	1Q19	2Q19	3Q19	4Q19	1Q20
Operating income								
Net interest income	20,250	20,311	19,871	4,826	4,928	5,071	5,046	5,052
Fee income	15,776	16,371	18,725	4,074	4,589	5,141	4,921	5,024
Net trading income/(loss) & Derivatives & FX	9,733	12,459	15,629	4,492	3,642	3,807	3,688	3,651
Others	348	288	298	85	79	55	79	241
Total Net Revenues	46,107	49,429	54,523	13,477	13,238	14,074	13,734	13,968
Allowance for bad-debt expenses	(4,055)	(3,253)	(1,598)	(511)	(489)	(296)	(302)	(431)
Operating expenses	(25,179)	(25,839)	(29,855)	(6,818)	(7,019)	(7,745)	(8,273)	(8,022)
Income before income tax	16,873	20,337	23,070	6,148	5,730	6,033	5,159	5,515
Income tax expenses	(2,219)	(3,254)	(2,950)	(935)	(664)	(493)	(858)	(974)
Net Income	14,654	17,083	20,120	5,213	5,066	5,540	4,301	4,541
Income Attributable to owners of the company	14,757	17,069	20,105	5,210	5,063	5,534	4,298	4,539
Non-Controlling interests	(103)	14	15	3	3	6	3	2

Note: Preliminary figures of Mar. 2020



## E.SUN Bank's Balance Sheet

NT\$ million	Yearly Results Quarterly			Quarterly Results				
	2017	2018	2019	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20
Assets :								
Cash and due from banks	131,042	132,378	128,432	135,374	130,794	118,692	128,432	138,091
Securities, net	575,980	656,564	737,525	714,990	686,171	713,178	737,525	800,023
Loans, net	1,211,071	1,333,277	1,444,322	1,352,561	1,384,938	1,414,961	1,444,322	1,483,103
A/R, net	83,130	85,317	103,686	84,237	102,890	109,964	103,686	100,873
Land, premises and equipments, net	27,559	31,950	32,725	32,113	32,201	32,737	32,725	32,611
Others	27,555	32,851	34,320	34,899	32,938	35,884	34,320	29,164
Total assets	2,056,337	2,272,337	2,481,010	2,354,174	2,369,932	2,425,416	2,481,010	2,583,865
Liabilities:								
Deposits	1,712,072	1,886,850	2,083,226	1,935,197	1,963,810	2,019,728	2,083,226	2,125,245
Other liabilities	197,007	227,217	226,694	254,496	243,657	238,610	226,694	283,880
Total liabilities	1,909,079	2,114,067	2,309,920	2,189,693	2,207,467	2,258,338	2,309,920	2,409,125
Total stockholders' equity	147,258	158,270	171,090	164,481	162,465	167,078	171,090	174,740
Total equity attributable to owners of the company	147,145	158,147	170,959	164,354	162,343	166,950	170,959	174,607
Non-Controlling interests	113	123	131	127	122	128	131	133
Attribute to former business under control	0	0	0	0	0	0	0	0
Total liabilities and stockholders' equity	2,056,337	2,272,337	2,481,010	2,354,174	2,369,932	2,425,416	2,481,010	2,583,865

Note: Preliminary figures of Mar. 2020



## E.SUN Bank's P&L account

NT\$ million	Yearly Results Quarterly			Quarterly Results				
	2017	2018	2019	1Q19	2Q19	3Q19	4Q19	1Q20
Operating income								
Net interest income	20,015	20,031	19,657	4,785	4,884	5,011	4,977	4,989
Fee income	14,903	15,359	17,712	3,871	4,333	4,874	4,634	4,671
Net trading income/(loss) & Derivatives & FX	9,604	12,485	15,297	4,260	3,599	3,777	3,661	4,108
Others	337	314	302	86	81	56	79	236
Total Net Revenues	44,859	48,189	52,968	13,002	12,897	13,718	13,351	14,004
Allowance for bad-debt expenses	(3,869)	(3,209)	(1,603)	(511)	(490)	(300)	(302)	(431)
Operating expenses	(24,037)	(24,653)	(28,652)	(6,546)	(6,706)	(7,404)	(7,996)	(7,677)
Income before income tax	16,953	20,327	22,713	5,945	5,701	6,014	5,053	5,896
Income tax expenses	(2,167)	(3,204)	(3,054)	(910)	(542)	(643)	(959)	(859)
Net Income	14,786	17,123	19,659	5,035	5,159	5,371	4,094	5,037
Attributable to owners of the company	14,887	17,108	19,643	5,032	5,155	5,365	4,091	5,035
Attribute to former business under control	0	0	0	0	0	0	0	0
Non-controlling interests	(101)	15	16	3	4	6	3	2

Note: Preliminary figures of Mar. 2020