

E.SUN FHC Financial Review of 2Q 2021



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Agenda

- 2021 2Q Financial Performance
- 2021 2Q Business Operation Overview
- Appendix



E.SUN FHC Summary

		Unit : NT\$ million	
		2021.06 ¹	2020.12
Total Assets	FHC	3,000,684	2,971,745
	Bank	2,971,360	2,946,979
	Securities	27,766	21,645
	Venture Capital	4,593	4,143
Key Financials	Book value per share (NT\$)	15.32	14.44
	Double Leverage Ratio	99.19%	103.38%
	FHC CAR	134.29%	136.20%
Channels	Bank – domestic	139	139
	Overseas 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	16

Note: 1. Preliminary figures of Jun. 2021

2. Share owned by QFII: 35.09%, as of Jun. 30, 2021



2Q21 Business and Financial Review

Financial Performance

- For 1H21, E.SUN FHC's preliminary net revenues was NT\$28.0 billion. Net profit was NT\$10.2 billion (+5.8%, yoy).
- E.SUN FHC's EPS NT\$0.81, ROE 10.96%, ROA 0.69%.
- E.SUN Bank's EPS NT\$0.91. ROE 10.04% was the 2nd highest among banks under FHCs.

Business Operation

- Net fee income NT\$10.4 billion (+6.0%), WM fee income NT\$4.9 billion (+1.9%), both were record high of the first half. Security brokerage and underwriting also delivered strong fee growth (+92.9%). (yoy)
- Loan balance grew by 7.7%, supported by strong domestic investment and exports; SME loan grew by 15.5%. (yoy)
- Asset quality was benign, NPL ratio at 0.17% and coverage ratio at 703.2%.

Highlights

- Balanced dividend policy: The AGM approved to pay NT\$1.22 per share, including NT\$0.61 in cash and NT\$0.61 in stock.
- Digitization: Comprehensive online services drove active users of mobile banking to grow by 21%. (yoy)
- Honor and recognitions: "Best Mortgage Product" (The Asian Banker); "Best SME Bank in Taiwan" and "Best Private Bank in Taiwan for Succession Planning and ESG" (Asiamoney); "Best SMEs in Taiwan", "Best AI Project", and "Best Core System Project" (The Asset).



Our Achievement in ESG

Environmental

- 100% Renewable Energy for domestic operations by 2030 and Net Zero Bank by 2050
- Sustainability report adopted TCFD framework of governance, strategy, risk management, and metrics & targets. Certified TCFD Level-5: Excellence Grade from BSI Taiwan
- Incorporated ESG into business and promote Sustainability-Linked Loan together with customers
- Approved 7 project financing cases adopting the Equator Principles in 2020. Accumulative cases rose to 26, of which 16 were associated with green energy

Social & Governance

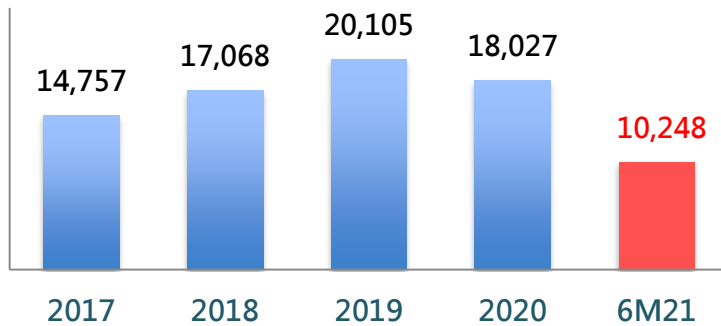
- Responding to SDG 8: Decent Work and Economic Growth by financing 18 thousand small enterprises and approving the Highest COVID-19 relief loan among private-sector banks in Taiwan
- Sustainable Development Committee & Risk Management Committee were set up under the board of directors to enhance management of ESG issues and emerging risks, including climate change
- Member of FTSE4Good Emerging Index and TIP Taiwan ESG Index for 5 consecutive years
- Best Sustainable Bank by FinanceAsia for 2 consecutive years



Financial Performance

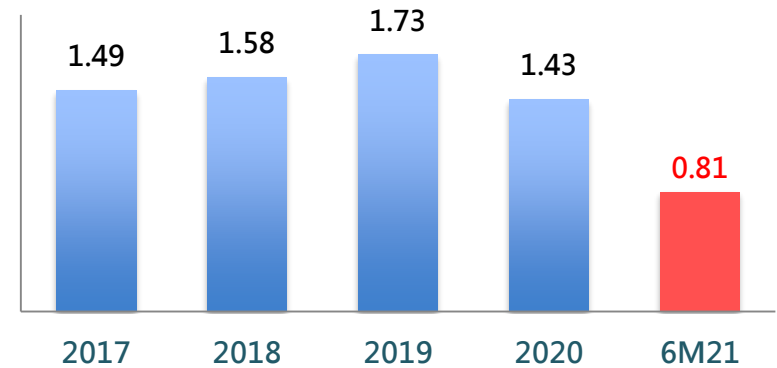
Net Profit

Unit: NT\$ million

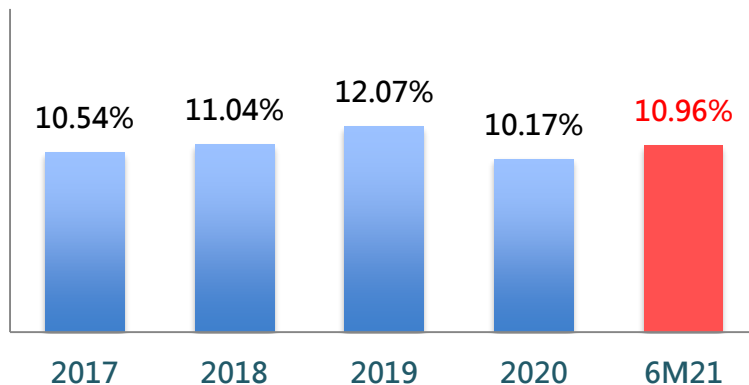


EPS

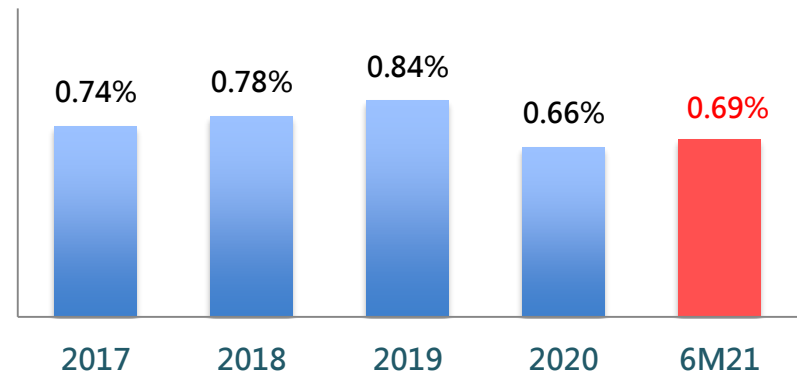
Unit: NT\$ dollars



ROE



ROA

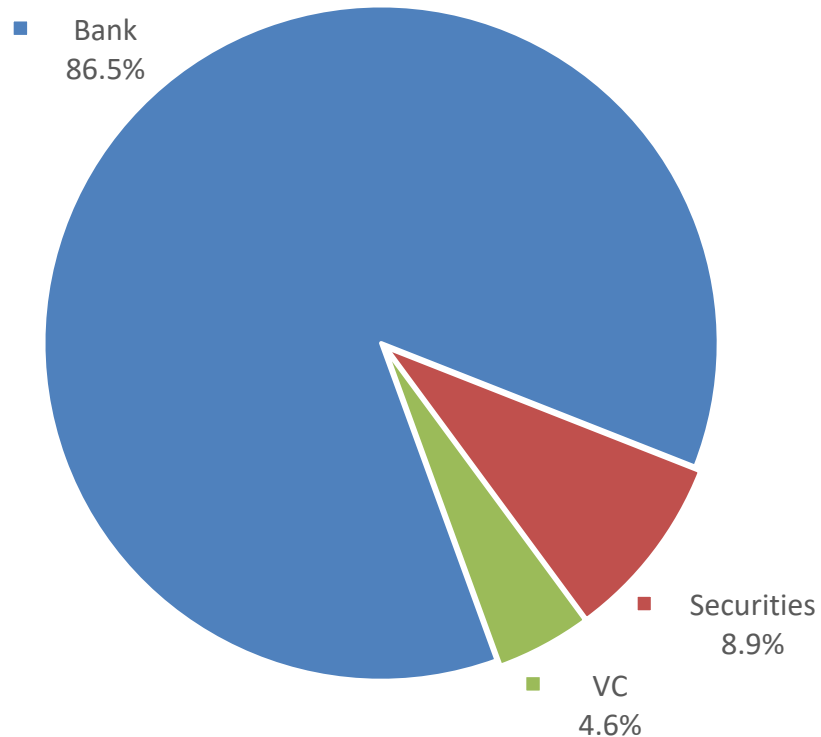


Note: Preliminary figures of Jun. 2021



Net Income of FHC & its Subsidiaries

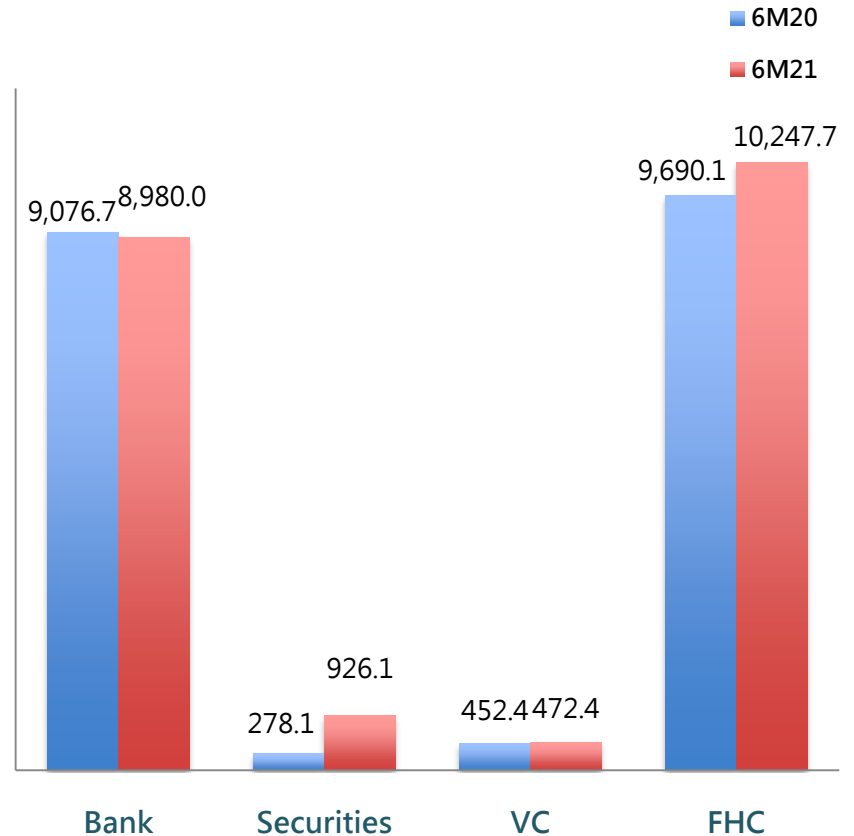
Contribution by Subsidiaries



Note: Preliminary figures of Jun. 2021

Net Income of FHC and its Subsidiaries

Unit: NT\$ million

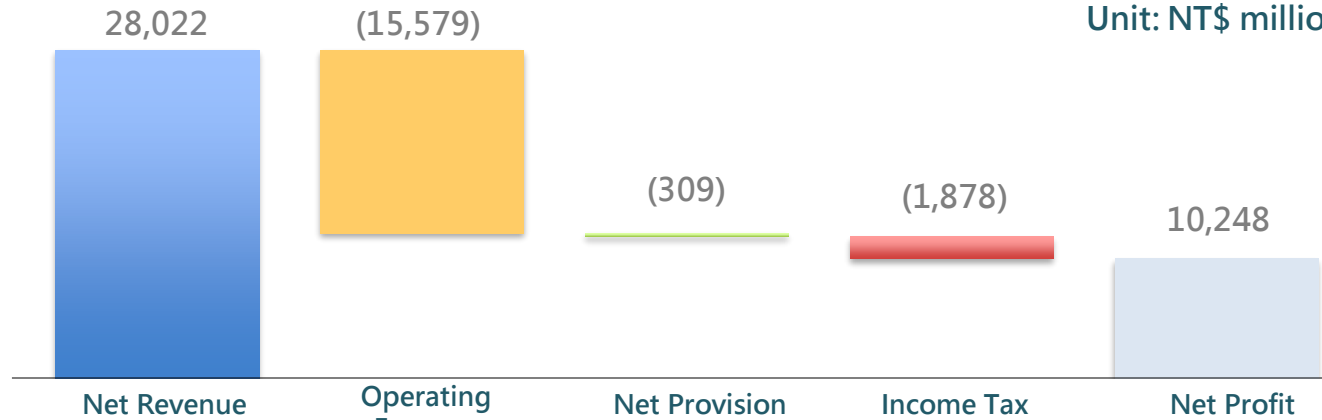




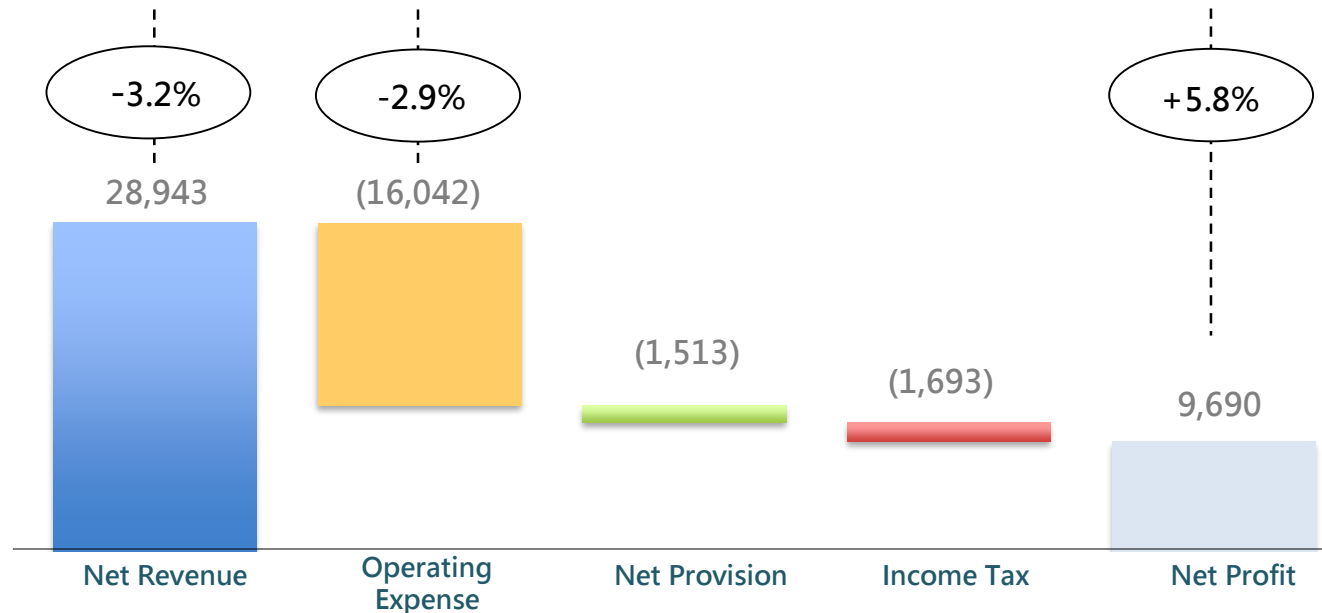
Net Profit Breakdown

Unit: NT\$ million

6M21 P&L



6M20 P&L

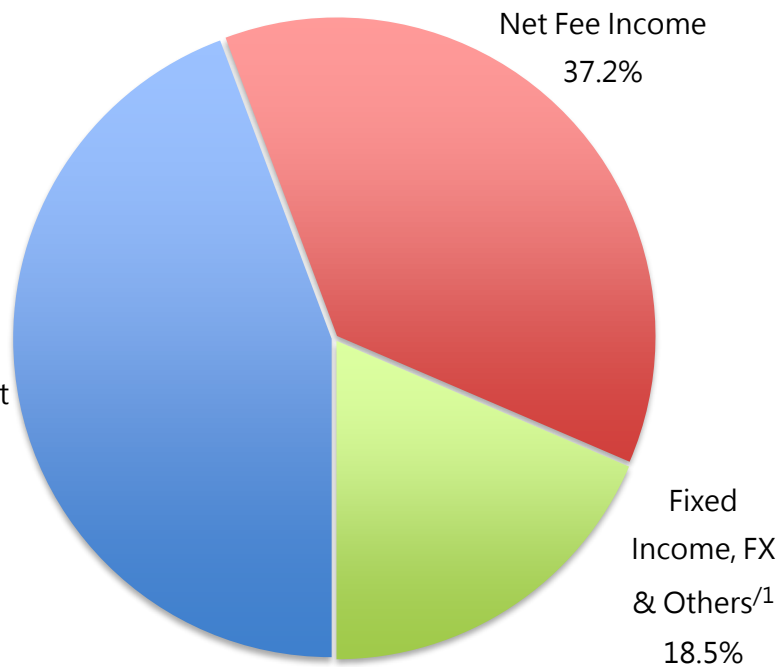


Note: Preliminary figures of Jun. 2021



FHC Revenue Breakdown

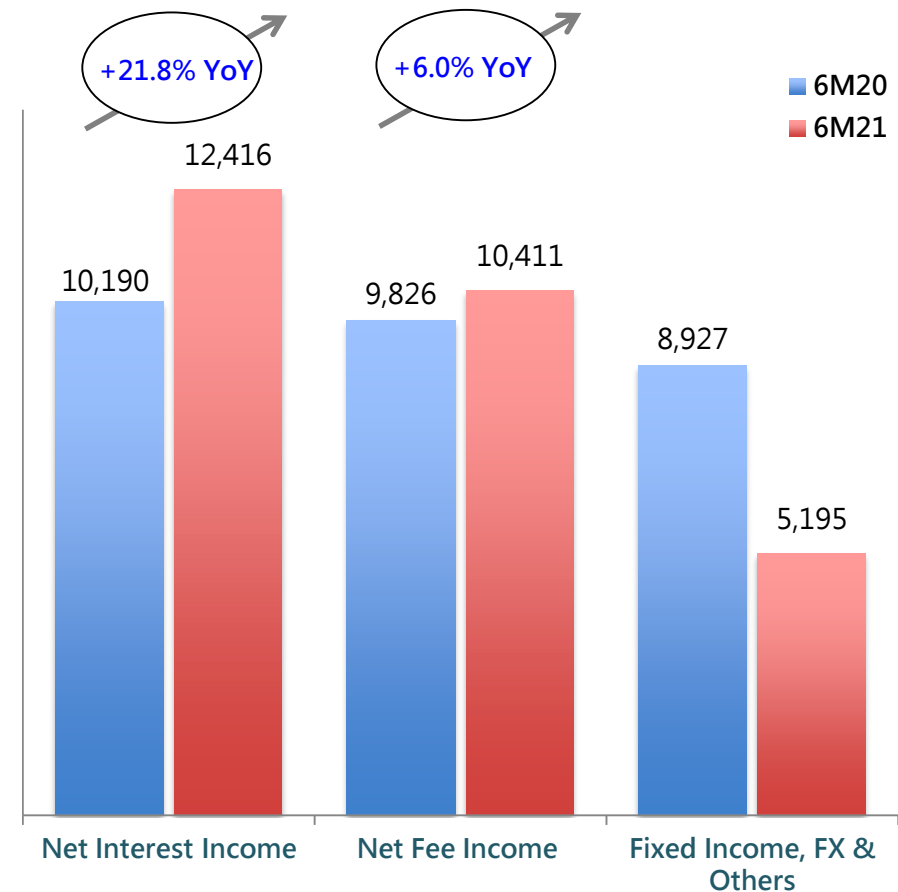
Total Net Revenue
NT\$ 28,022 million



Note: 1. 48.9% of "Fixed income, FX & Others" is associated with fixed income investment
2. Preliminary figures of Jun. 2021

YoY Comparison

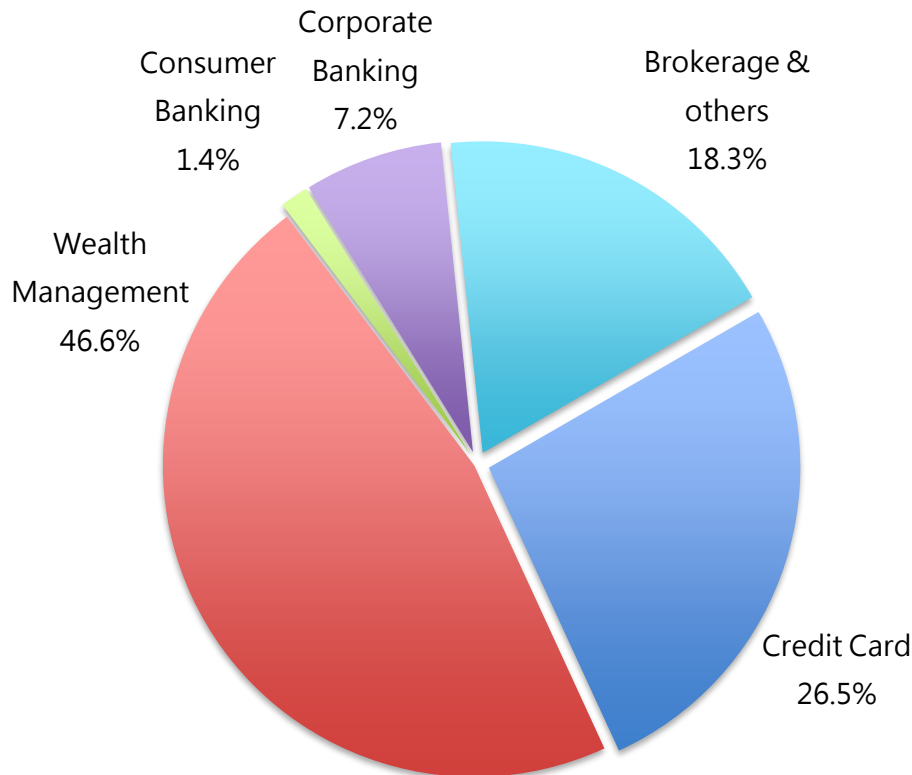
Unit: NT\$ million





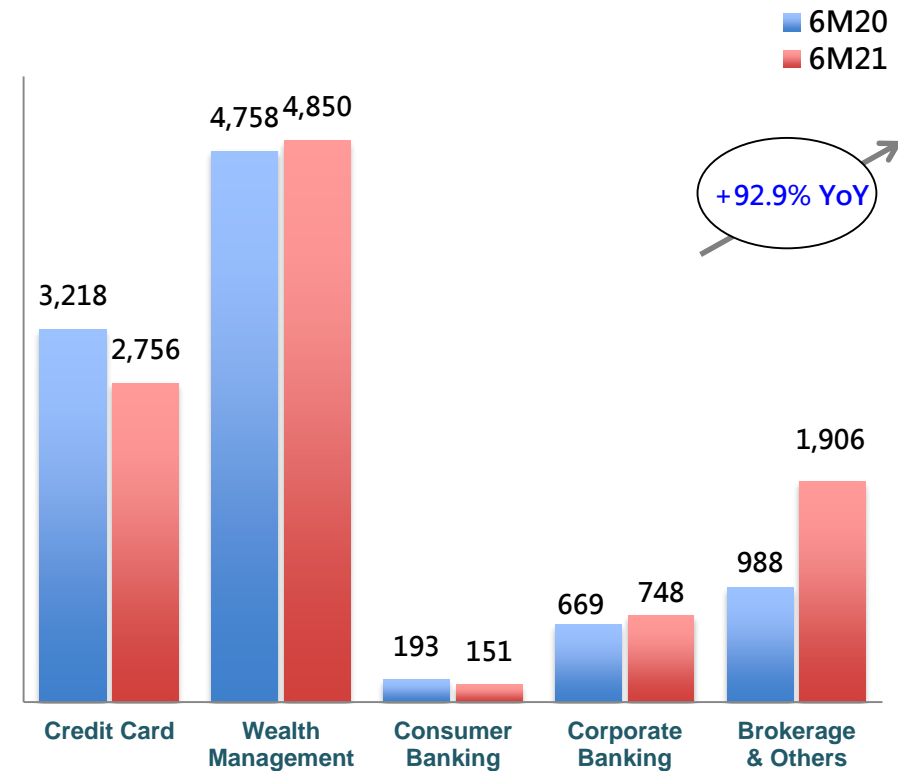
Net Fee Income Breakdown

Total Net Fee Income
NT 10,411 million



YoY Comparison

Unit: NT\$ million



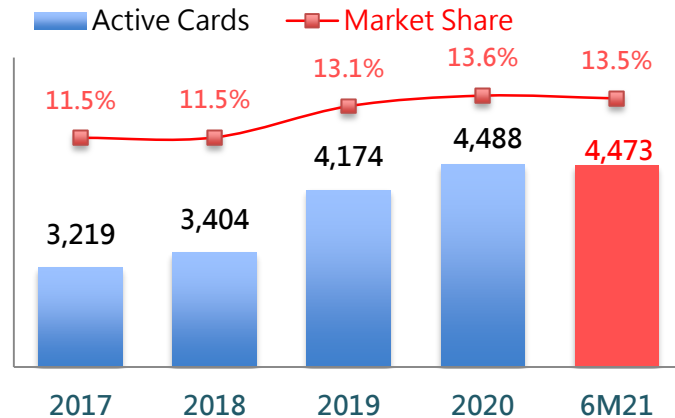
Note: Preliminary figures of Jun. 2021



Credit Card Business Breakdown

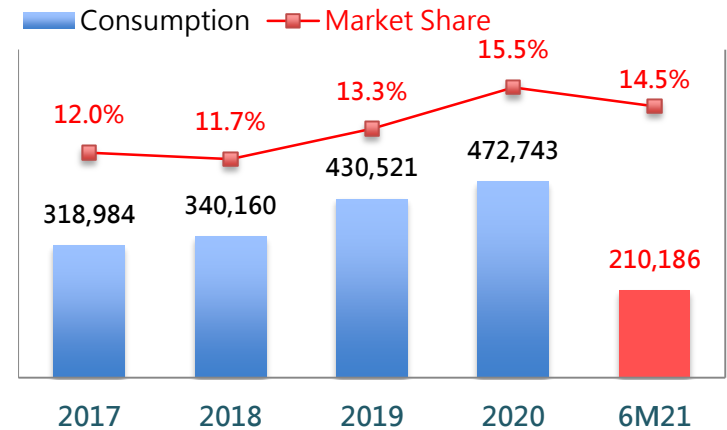
Active Cards

Unit: Thousand Cards, %



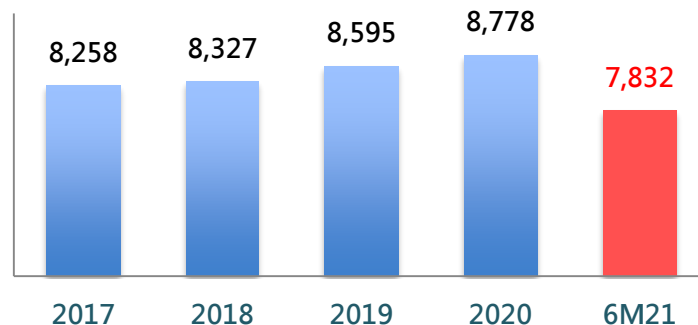
Card Consumption

Unit: NT\$ million



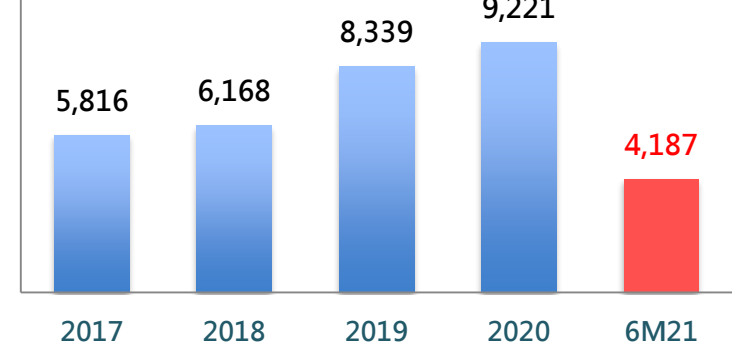
Per Card Spending (Monthly)

Unit: NT\$ dollar



Gross Fee Income

Unit: NT\$ million



Note: Market share data as of May 2021



Deposit and Loan Structure

Unit: NT\$ Bn

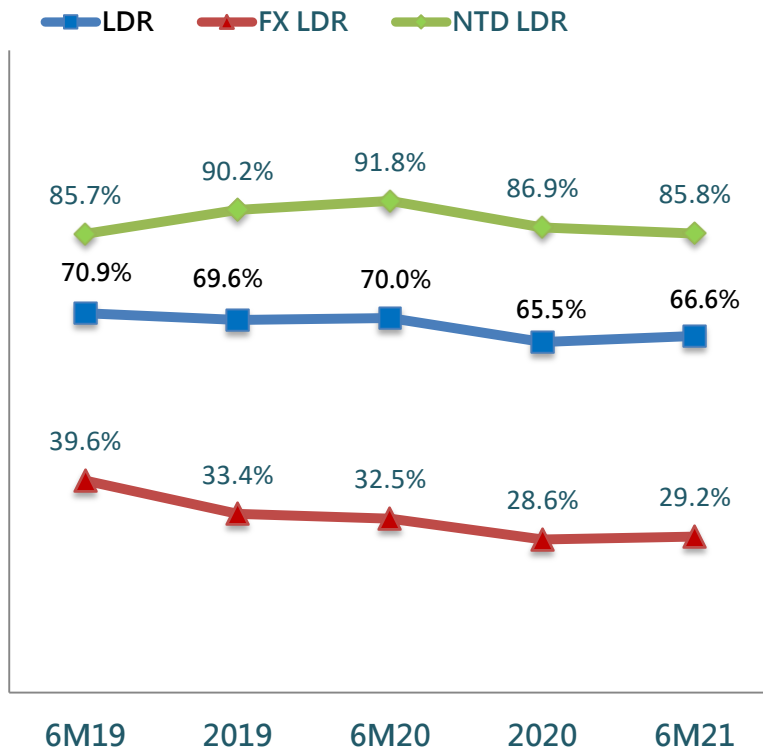
Category	2021.6	QoQ Growth %	2021.3	Ytd Growth %	2020
Total Deposits	2,459.0	2.6%	2,397.7	0.7%	2,442.2
Demand Deposits	1,011.6	-0.6%	1,017.4	-0.2%	1,013.5
Time Deposits	587.5	5.8%	555.1	0.5%	584.8
FCY Deposits	859.9	4.2%	825.2	1.9%	843.9
Total Loans ^{/1}	1,637.9	2.8%	1,593.1	2.4%	1,599.2
Corporate Loans	793.0	2.9%	770.5	3.1%	769.5
SME Loans	448.9	4.5%	429.7	4.9%	428.1
FCY Loans	250.7	3.3%	242.6	3.8%	241.6
Consumer Loans	844.8	2.7%	822.6	1.8%	829.7
Mortgage Loan	414.2	2.6%	403.7	1.6%	407.6
Unsecured Personal Loan	125.0	3.8%	120.4	3.4%	120.9
Credit Card Revolving Balance	12.4	0.0%	12.4	-3.1%	12.8

Note: Not including loan balance of subsidiaries NT\$ 48 billion



Deposit Structure

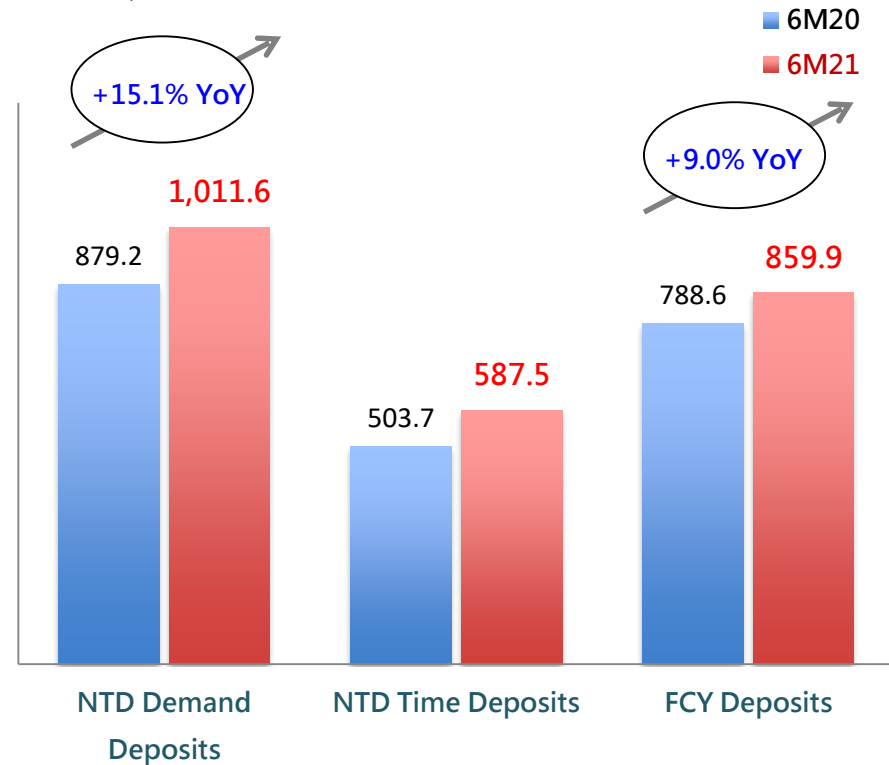
Loan to Deposit Ratio



Note: Data of E.SUN Bank

Deposit Structure

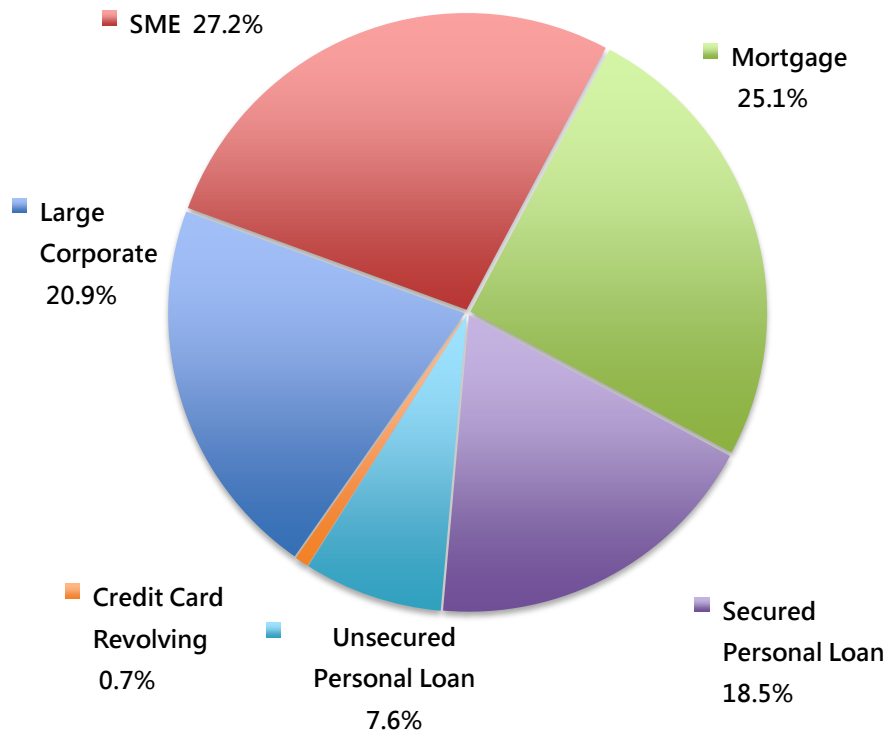
Unit: NT \$Bn





Loan Portfolio Breakdown

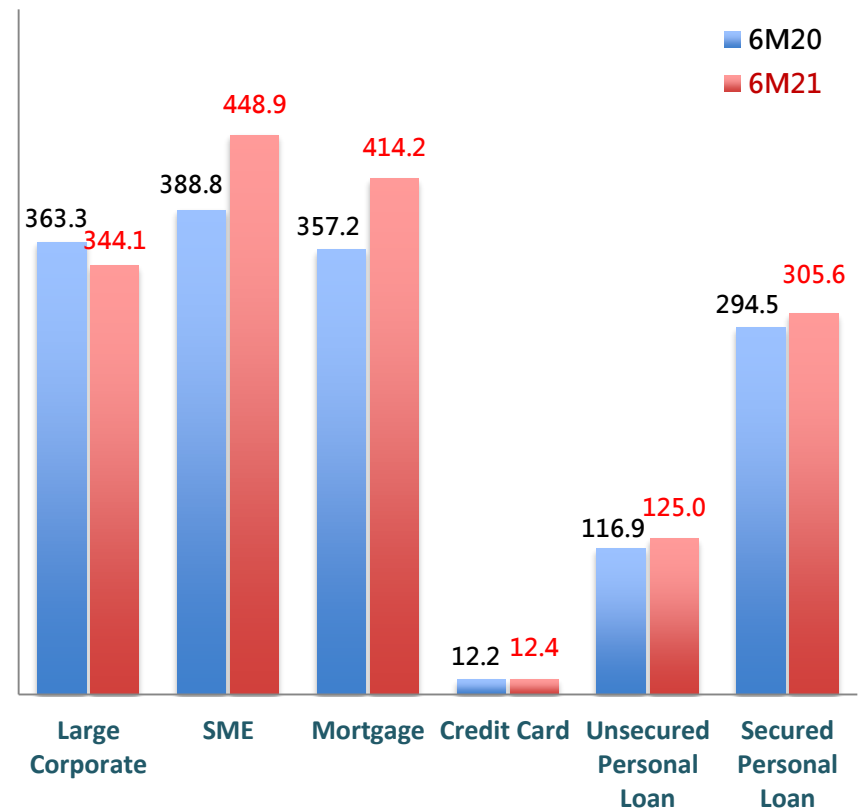
Total Loan
NT\$ 1,650.3 billion



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

YoY Comparison

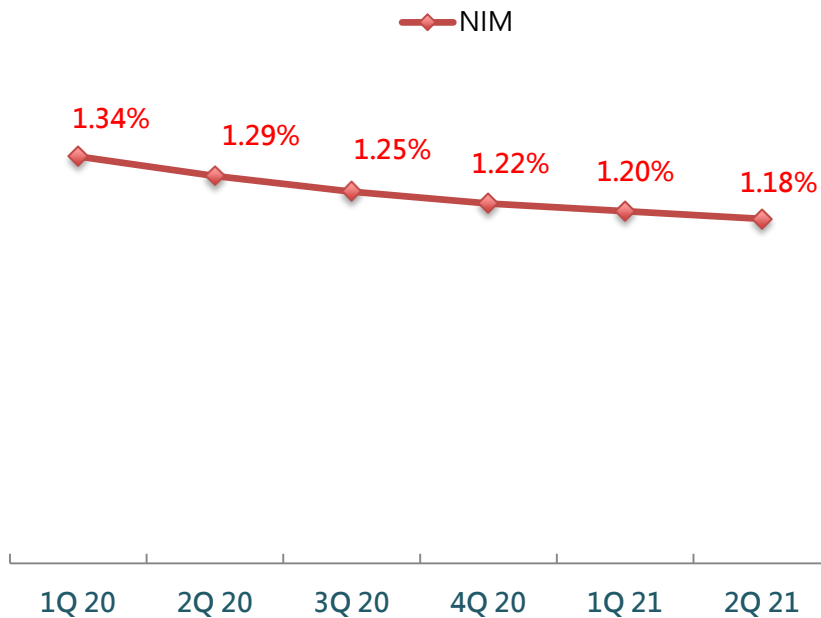
Unit: NT\$ Bn



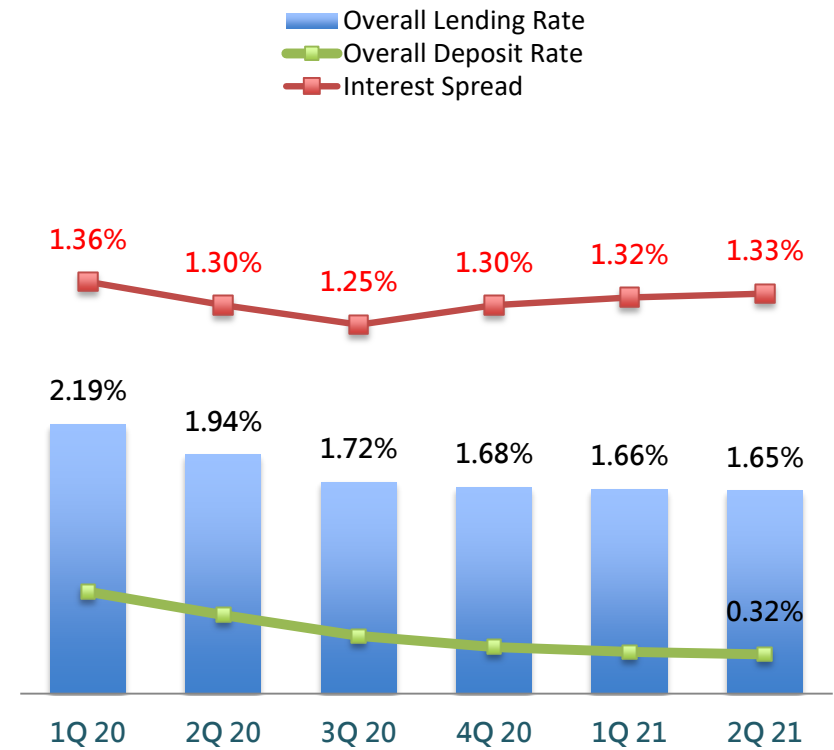


NIM and Spread

Quarterly Net Interest Margin



Quarterly Interest Spread



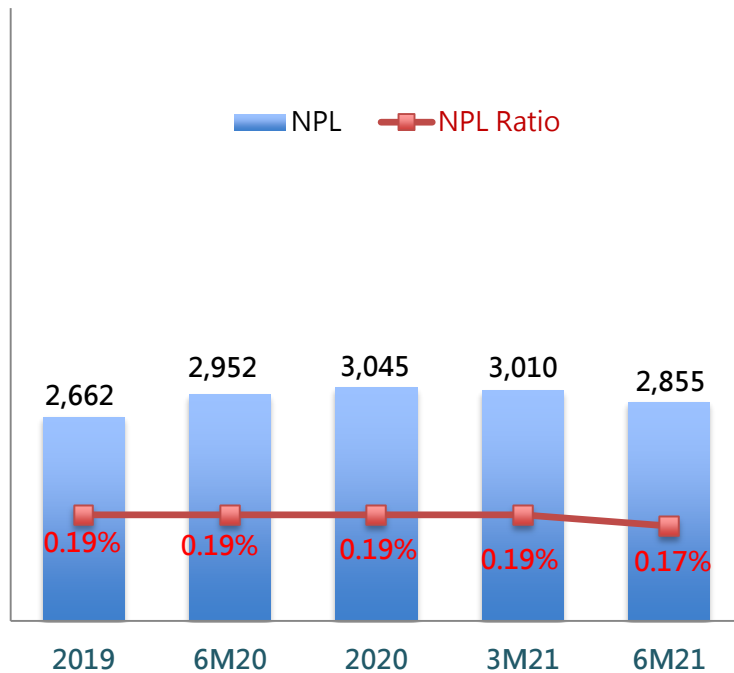
Note: Data of E.SUN Bank



Superior Asset Quality 1/3

NPL Ratio(%)

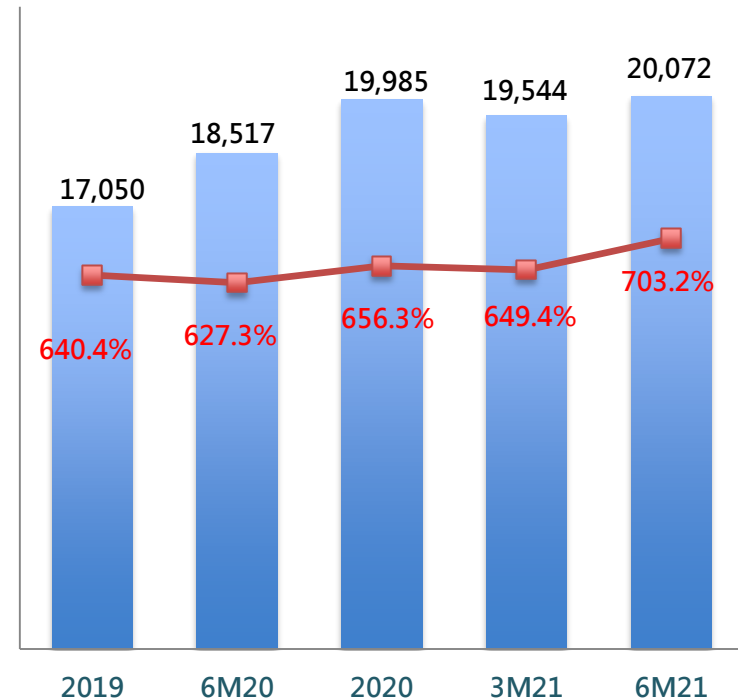
Unit: NT\$ million



Coverage Ratio(%)

Unit: NT\$ million

Loan Loss Reserve Coverage Ratio

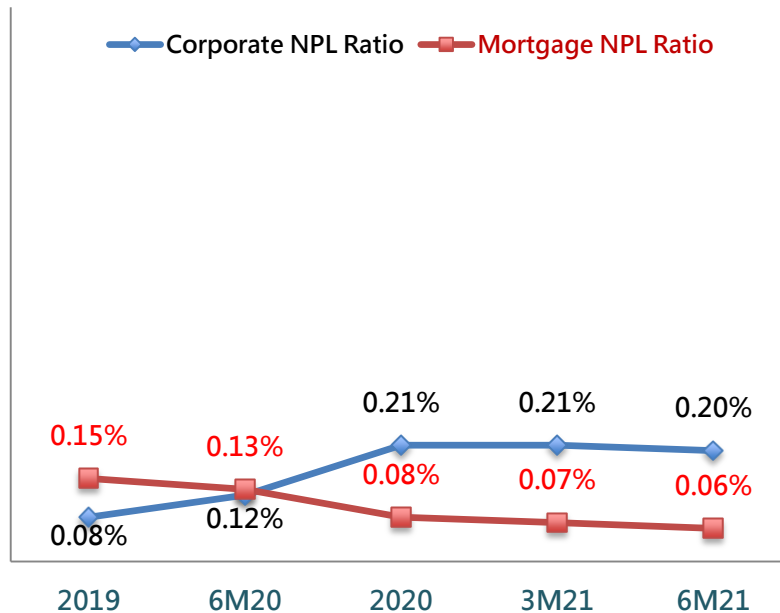


Note: Data of E.SUN Bank



Superior Asset Quality 2/3

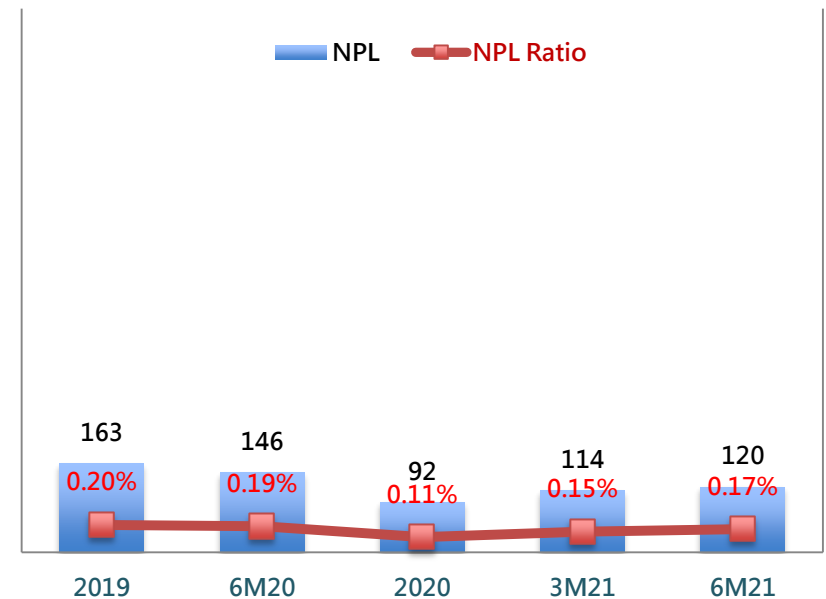
NPL Ratio for Major Products



Note: Data of E.SUN Bank

NPL Ratio for Credit Card

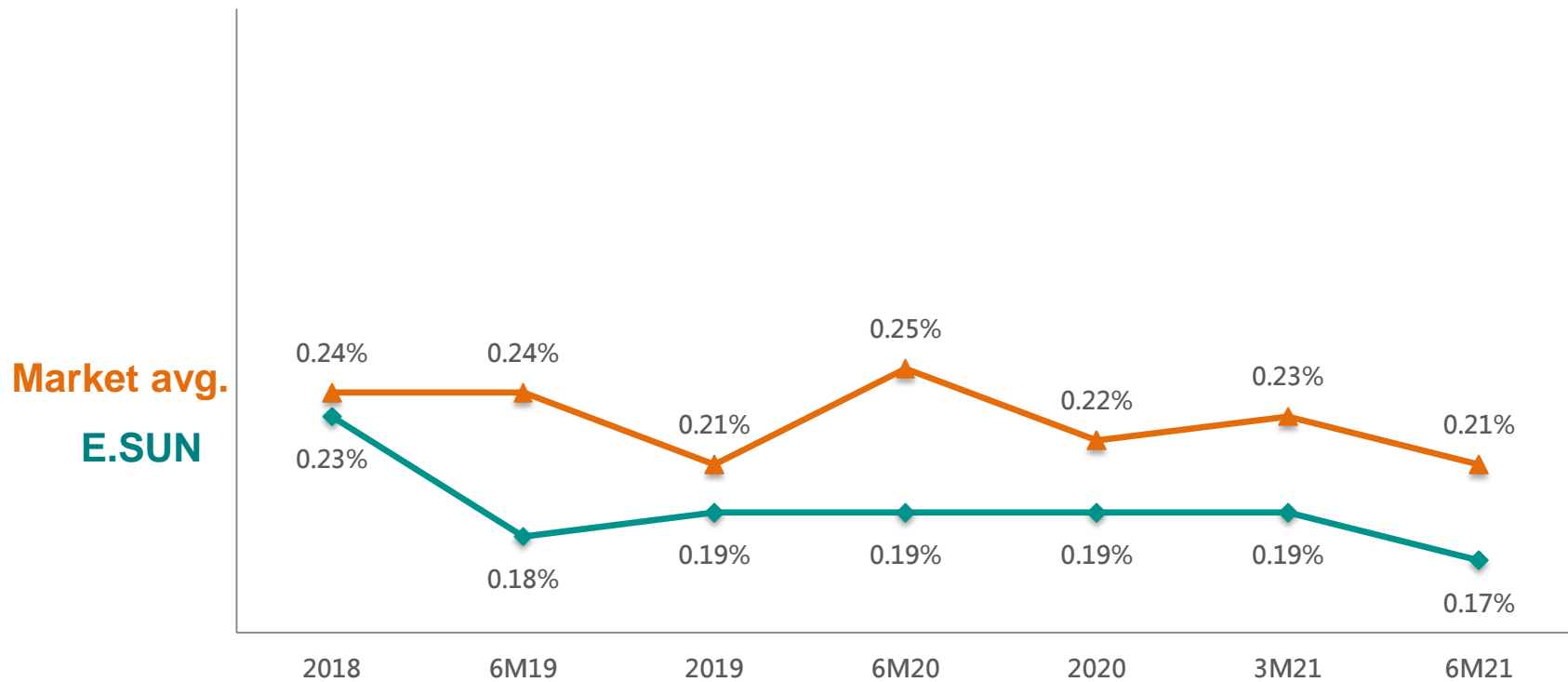
Unit: NT\$ million





Superior Asset Quality 3/3

NPL Comparison with Market



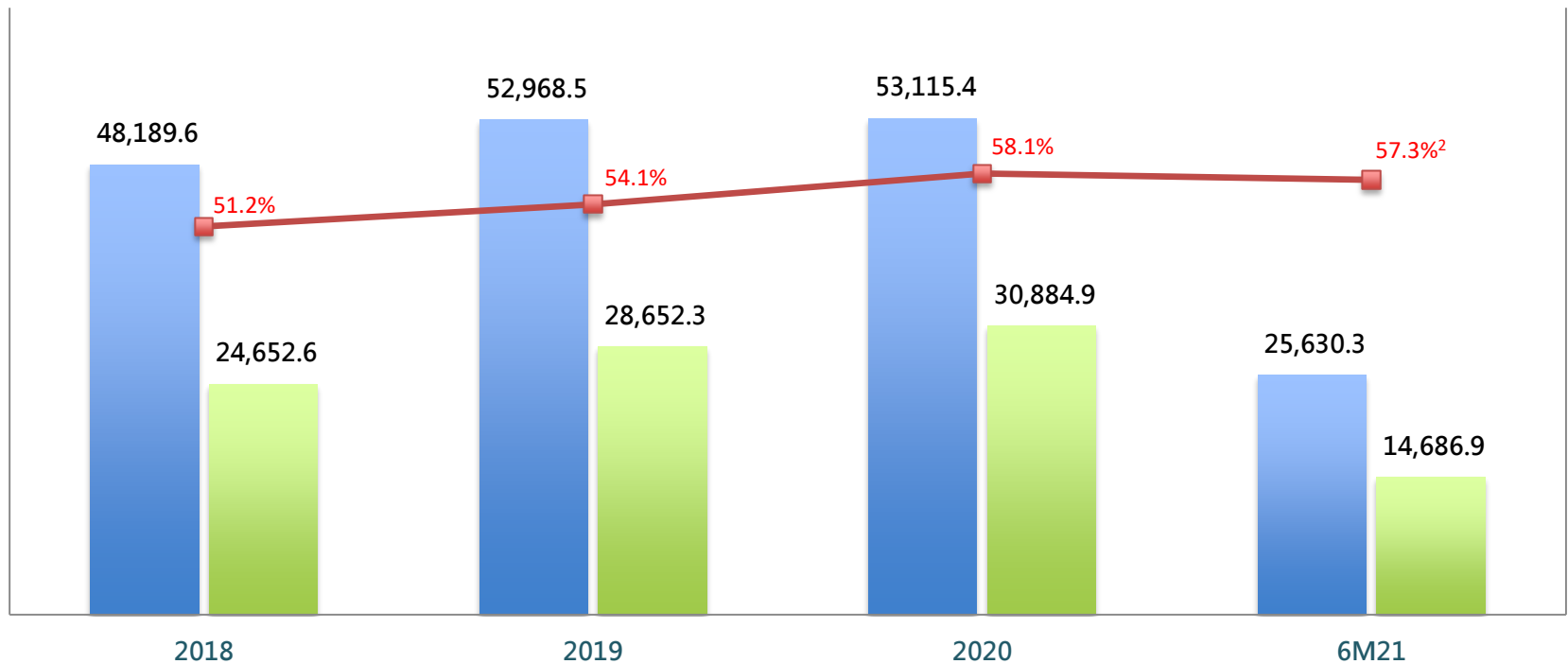
Source: FSC, Market NPL as of May 2021



Cost-Income Ratio

Unit: NT\$ million

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

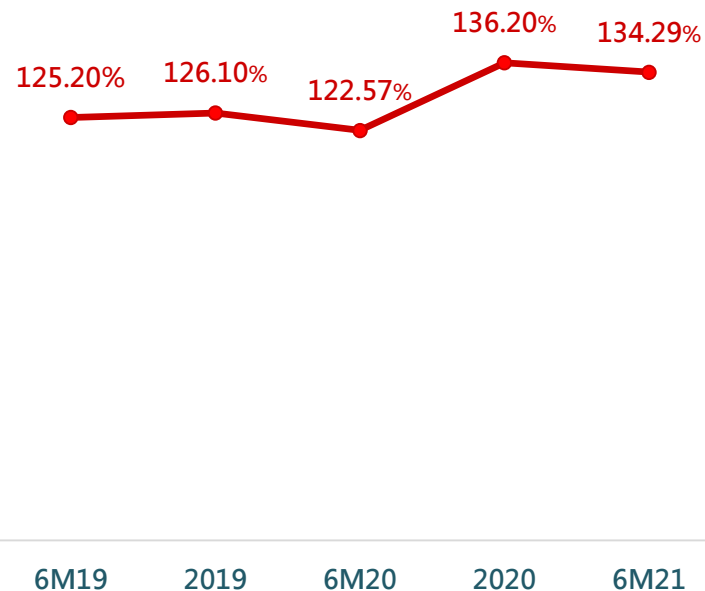


Note: 1. Data of E.SUN Bank
2. Preliminary figures of Jun. 2021



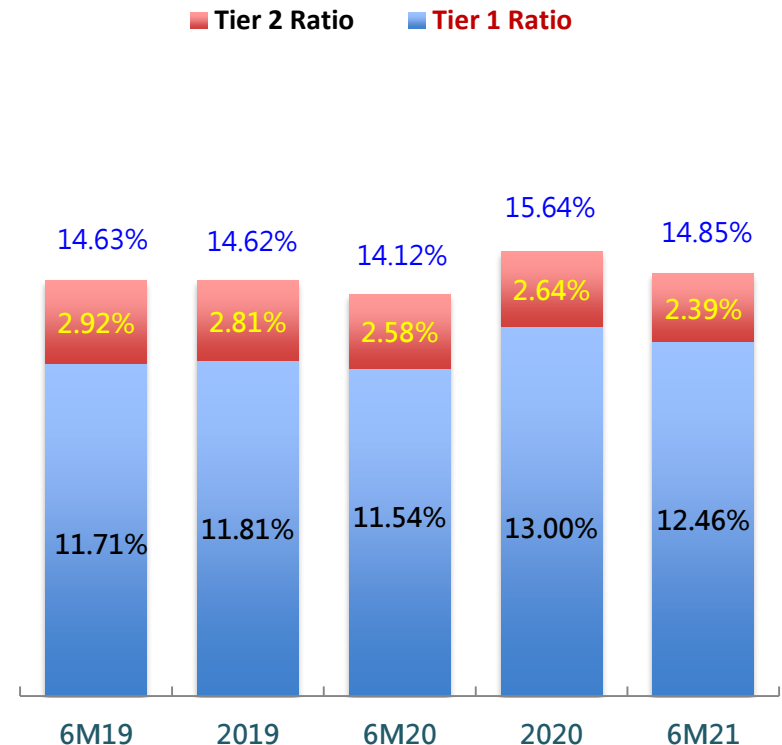
Capital Adequacy Ratio

FHC CAR Ratio



Note: 1. Preliminary figures of Jun. 2021
2. BIS of E.SUN Bank standalone

Bank BIS Ratio





Thank You

- ❖ If you wish to know more about E.SUN, please visit our website site (www.esunfhc.com.tw) for more information.
- ❖ If you have further questions, please feel free to contact us through email or conference call
- ❖ For more information, please contact Investor Relations Department
+8862 2175 1313 Ext 9347,9310, 9346,9302
ir@email.esunbank.com.tw





Balance Sheet of E.SUN FHC and its subsidiaries for 2Q2021

NT\$ million	E.SUN Bank (Consolidated)	E.SUN Securities (Consolidated)	E.SUN Venture Capital	E.SUN FHC (Standalone)	E.SUN FHC (Consolidated)
Assets :					
Cash and due from banks	180,396	3,159	339	8,752	181,057
Securities, net	951,716	1,422	4,225	132	957,489
Loans, net	1,666,095	0	0	0	1,666,095
A/R, net	96,266	18,621	2	629	114,724
Land, premises and equipments, net	32,677	341	0	6	33,279
Others	44,210	4,223	27	193,587	48,040
Total assets	2,971,360	27,766	4,593	203,106	3,000,684
Liabilities:					
Deposits	2,498,642	0	0	0	2,485,940
Other liabilities	292,522	21,560	53	10,608	322,106
Total liabilities	2,791,164	21,560	53	10,608	2,808,046
Total stockholders' equity	180,196	6,206	4,540	192,498	192,638
Total equity attributable to owners of the company	180,047	6,206	4,540	192,498	192,498
Non-Controlling interests	149	0	0	0	140
Total liabilities and stockholders' equity	2,971,360	27,766	4,593	203,106	3,000,684

Note: Preliminary figures of Jun. 2021



P&L of E.SUN FHC and its subsidiaries for 2Q2021

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	12,236	208	0	(30)	12,416
Net fee income	8,858	1,558	0	0	10,411
Net trading income/(loss) & Derivatives & FX	4,439	177	485	0	5,102
Others	97	74	0	10,408	93
Total Net Revenues	25,630	2,017	485	10,378	28,022
Allowance for bad-debt expenses	(312)	4	0	0	(309)
Operating expenses	(14,687)	(908)	(11)	(83)	(15,579)
Income before income tax	10,631	1,113	474	10,295	12,134
Income tax expenses	(1,642)	(187)	(2)	(47)	(1,878)
Net Income	8,989	926	472	10,248	10,256
Attributable to owners of the company	8,980	926	472	10,248	10,248
Non-controlling interests	9	0	0	0	8

Note: Preliminary figures of Jun. 2021



E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21
Assets :									
Cash and due from banks	132,444	128,579	175,722	138,228	180,827	167,787	175,722	142,928	181,057
Securities, net	660,622	742,487	998,478	782,218	779,124	840,680	998,478	994,628	957,489
Loans, net	1,333,277	1,444,322	1,620,374	1,483,179	1,542,228	1,576,579	1,620,374	1,617,494	1,666,095
A/R, net	93,451	113,150	116,686	107,951	113,367	109,452	116,686	109,846	114,724
Land, premises and equipments, net	32,605	33,351	33,291	33,220	33,268	33,163	33,291	36,071	33,279
Others	35,388	36,469	27,194	53,973	48,927	54,014	27,194	27,314	48,040
Total assets	2,287,787	2,498,358	2,971,745	2,598,769	2,697,741	2,781,675	2,971,745	2,928,281	3,000,684
Liabilities:									
Deposits	1,885,885	2,082,070	2,484,605	2,123,453	2,198,597	2,291,068	2,484,605	2,434,369	2,485,940
Other liabilities	241,772	243,107	305,539	298,498	325,828	313,621	305,539	306,387	322,106
Total liabilities	2,127,657	2,325,177	2,790,144	2,421,951	2,524,425	2,604,689	2,790,144	2,740,756	2,808,046
Total stockholders' equity	160,130	173,181	181,601	176,818	173,316	176,986	181,601	187,525	192,638
Total equity attributable to owners of the company	160,014	173,058	181,469	176,693	173,200	176,864	181,469	187,391	192,498
Non-Controlling interests	116	123	132	125	116	122	132	134	140
Total liabilities and stockholders' equity	2,287,787	2,498,358	2,971,745	2,598,769	2,697,741	2,781,675	2,971,745	2,928,281	3,000,684

Note: Preliminary figures of Jun. 2021



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

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Operating income									
Net interest income	20,311	19,871	21,339	5,054	5,136	5,354	5,795	6,082	6,334
Fee income	16,371	18,725	19,831	5,026	4,800	4,810	5,195	5,273	5,138
Net trading income/(loss) & Derivatives & FX	12,459	15,629	14,707	3,650	5,001	3,430	2,626	2,306	2,796
Others	288	298	372	234	42	43	53	37	56
Total Net Revenues	49,429	54,523	56,249	13,964	14,979	13,637	13,669	13,698	14,324
Allowance for bad-debt expenses	(3,253)	(1,598)	(3,226)	(347)	(1,166)	(727)	(986)	358	(667)
Operating expenses	(25,839)	(29,855)	(32,494)	(8,024)	(8,018)	(8,004)	(8,448)	(7,817)	(7,762)
Income before income tax	20,337	23,070	20,529	5,593	5,795	4,906	4,235	6,239	5,895
Income tax expenses	(3,254)	(2,950)	(2,481)	(1,050)	(643)	(643)	(145)	(1,032)	(846)
Net Income	17,083	20,120	18,048	4,543	5,152	4,263	4,090	5,207	5,049
Income Attributable to owners of the company	17,069	20,105	18,027	4,541	5,149	4,256	4,081	5,205	5,043
Non-Controlling interests	14	15	21	2	3	7	9	2	6

Note: Preliminary figures of Jun. 2021



E.SUN Bank's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21
Assets :									
Cash and due from banks	132,378	128,432	175,678	138,131	180,704	167,699	175,678	142,869	180,396
Securities, net	656,564	737,525	970,129	777,982	773,921	835,123	970,129	969,116	951,716
Loans, net	1,333,277	1,444,322	1,620,374	1,483,179	1,542,228	1,576,579	1,620,374	1,617,494	1,666,095
A/R, net	85,317	103,686	102,012	100,761	102,814	99,905	102,012	94,333	96,266
Land, premises and equipments, net	31,950	32,725	32,689	32,611	32,663	32,570	32,689	35,473	32,677
Others	32,851	34,320	46,097	51,276	46,098	45,715	46,097	43,391	44,210
Total assets	2,272,337	2,481,010	2,946,979	2,583,940	2,678,428	2,757,591	2,946,979	2,902,676	2,971,360
Liabilities:									
Deposits	1,886,850	2,083,226	2,486,232	2,125,245	2,208,996	2,292,727	2,486,232	2,435,886	2,498,642
Other liabilities	227,217	226,694	282,949	283,895	299,276	291,216	282,949	284,233	292,522
Total liabilities	2,114,067	2,309,920	2,769,181	2,409,140	2,508,272	2,583,943	2,769,181	2,720,119	2,791,164
Total stockholders' equity	158,270	171,090	177,798	174,800	170,156	173,648	177,798	182,557	180,196
Total equity attributable to owners of the company	158,147	170,959	177,657	174,666	170,033	173,518	177,657	182,414	180,047
Non-Controlling interests	123	131	141	134	123	130	141	143	149
Total liabilities and stockholders' equity	2,272,337	2,481,010	2,946,979	2,583,940	2,678,428	2,757,591	2,946,979	2,902,676	2,971,360

Note: Preliminary figures of Jun. 2021



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

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Operating income									
Net interest income	20,031	19,657	21,095	4,991	5,088	5,288	5,728	6,001	6,235
Fee income	15,359	17,712	18,044	4,671	4,393	4,290	4,690	4,598	4,260
Net trading income/(loss) & Derivatives & FX	12,485	15,297	13,593	4,107	4,075	3,153	2,258	1,746	2,693
Others	314	302	383	236	48	45	54	39	58
Total Net Revenues	48,189	52,968	53,115	14,005	13,604	12,776	12,730	12,384	13,246
Allowance for bad-debt expenses	(3,209)	(1,603)	(3,241)	(354)	(1,166)	(736)	(985)	355	(667)
Operating expenses	(24,653)	(28,652)	(30,885)	(7,677)	(7,639)	(7,528)	(8,041)	(7,437)	(7,250)
Income before income tax	20,327	22,713	18,989	5,974	4,799	4,512	3,704	5,302	5,329
Income tax expenses	(3,204)	(3,054)	(2,501)	(936)	(755)	(622)	(188)	(881)	(761)
Net Income	17,123	19,659	16,488	5,038	4,044	3,890	3,516	4,421	4,568
Attributable to owners of the company	17,108	19,643	16,465	5,036	4,041	3,883	3,505	4,419	4,561
Non-controlling interests	15	16	23	2	3	7	11	2	7

Note: Preliminary figures of Jun. 2021