

E.SUN FHC Financial Review of 3Q 2021



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Agenda

- 2021 3Q Financial Performance
- 2021 3Q Business Operation Overview
- Appendix



E.SUN FHC Summary

		Unit : NT\$ million	
		2021.09/ ¹	2020.12
Total Assets	FHC	3,052,337	2,971,745
	Bank	3,023,747	2,946,979
	Securities	25,350	21,645
	Venture Capital	4,782	4,143
Key Financials	Book value per share (NT\$)	14.19	14.44
	Double Leverage Ratio	103.13%	103.38%
	FHC CAR	132.69% ²	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. Reviewed figures of Sep. 2021

2. Audit figures of Jun. 2021

3. Share owned by QFI: 35.32%, as of Sep. 30, 2021



3Q21 Business and Financial Review

Financial Performance

- For 9M21, E.SUN FHC's net revenue was NT\$43.2 billion. Net profit was NT\$15.9 billion (+13.9%, yoy).
- E.SUN FHC's EPS NT\$1.19, ROE 11.42%, ROA 0.70%.
- E.SUN Bank's net profit grew by 7.3% (yoy). ROE 10.3% was the highest among banks under FHCs.

Business Operation

- Net fee income NT\$15.9 billion (+8.8%), WM fee income NT\$7.5 billion (+7.4%), both were record high. Security brokerage and underwriting delivered strong fee growth (+74.6%). (yoy)
- Loan balance grew by 9.0%; SME loan grew by 12.6% and FCY loan grew by 7.4%. (yoy)
- Engaged corporate clients on climate change by developing responsible lending. Year-to-date newly drawn amount was NT\$17 billion, representing 30% of incremental corporate loans in 2021.
- Asset quality was benign, NPL ratio at 0.17% and coverage ratio at 726.1%.

Highlights

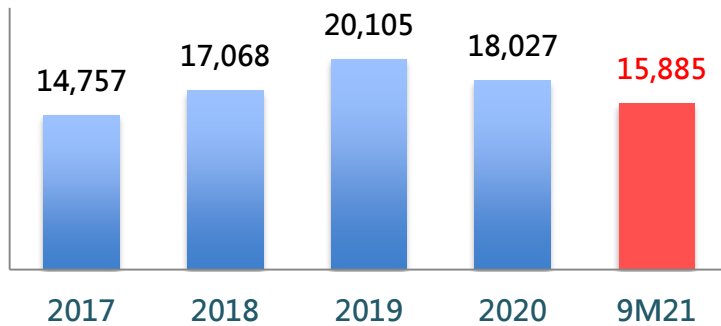
- Overseas: Approved by Taiwan FSC to apply for Bangkok Representative Office in Thailand.
- Digitization: Mobile banking active users grew by 21% (yoy); active digital users comprised 50%+ of customers with deposit account.
- Honor and recognitions: Ranked 1st in "Excellence in CSR Award" for the 14th consecutive year (CommonWealth); received "Best Sustainability FHC" for 8 times in a row (Wealth Magazine); awarded "Future Enterprise of the Year" (IDC Taiwan) for excellence in digital transformation.



Financial Performance

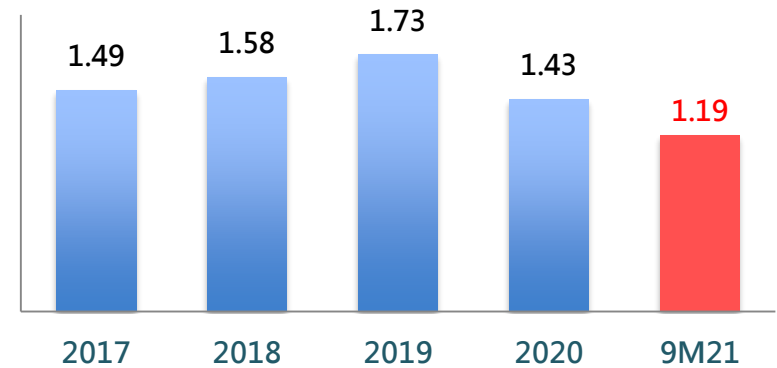
Net Profit

Unit: NT\$ million

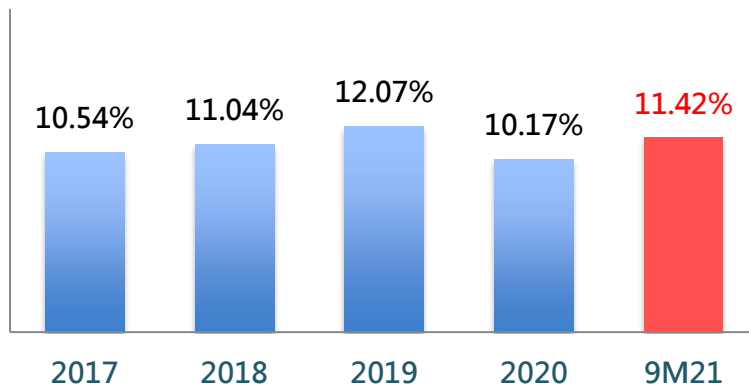


EPS

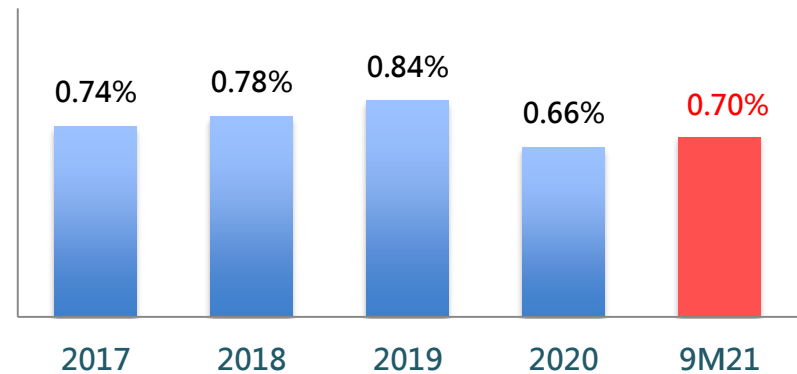
Unit: NT\$ dollars



ROE



ROA

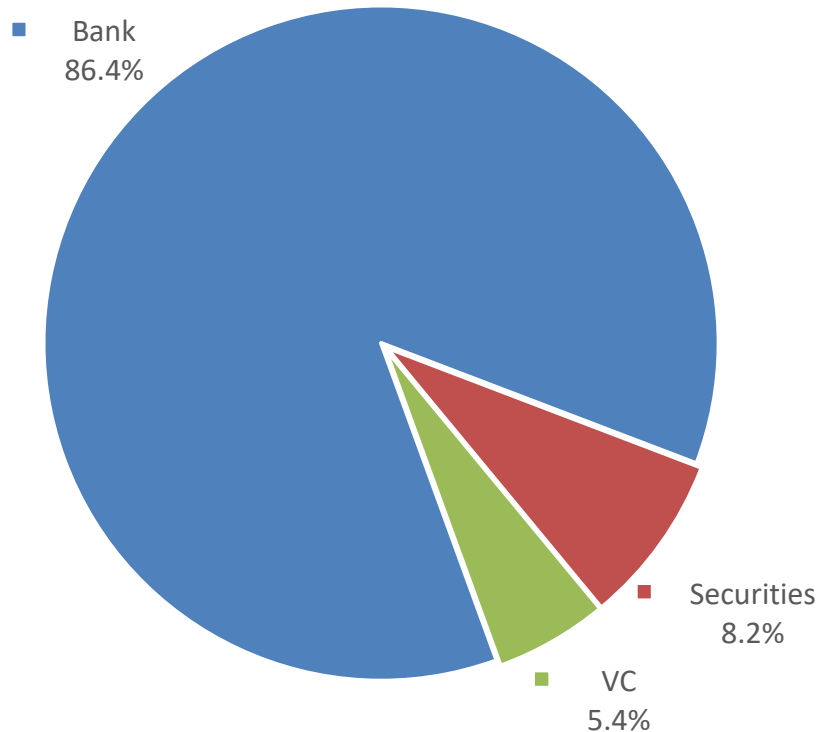


Note: Reviewed figures of Sep. 2021



Net Income of FHC & its Subsidiaries

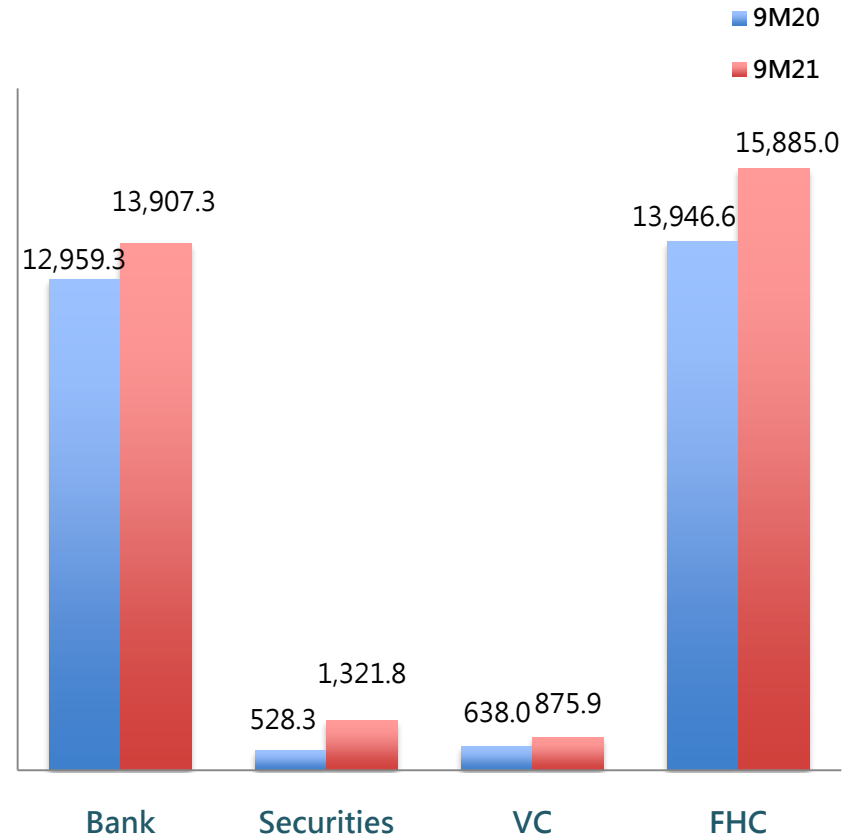
Contribution by Subsidiaries



Note: Reviewed figures of Sep. 2021

Net Income of FHC and its Subsidiaries

Unit: NT\$ million

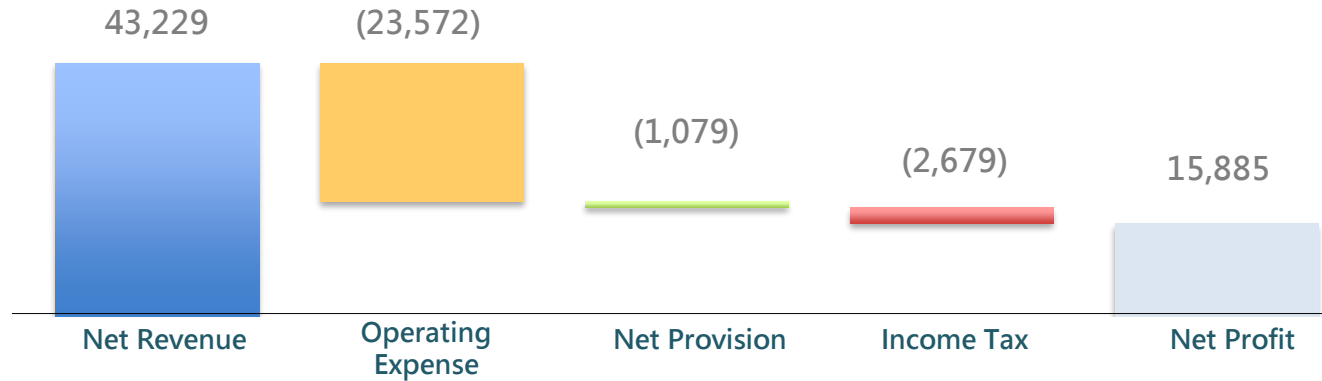




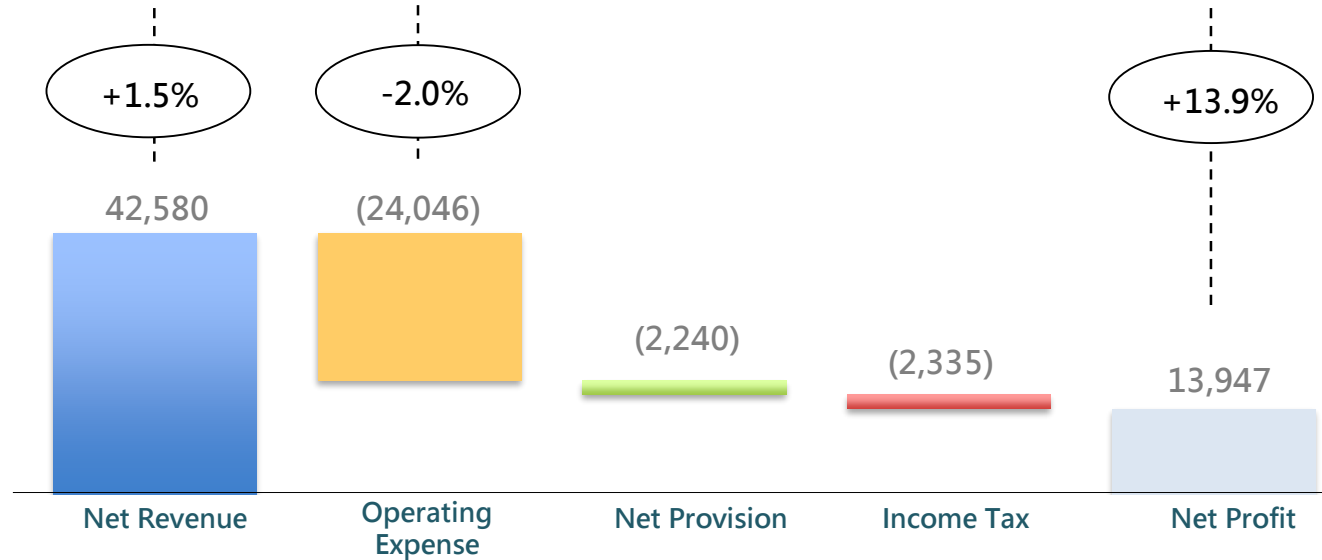
Net Profit Breakdown

Unit: NT\$ million

9M21 P&L



9M20 P&L

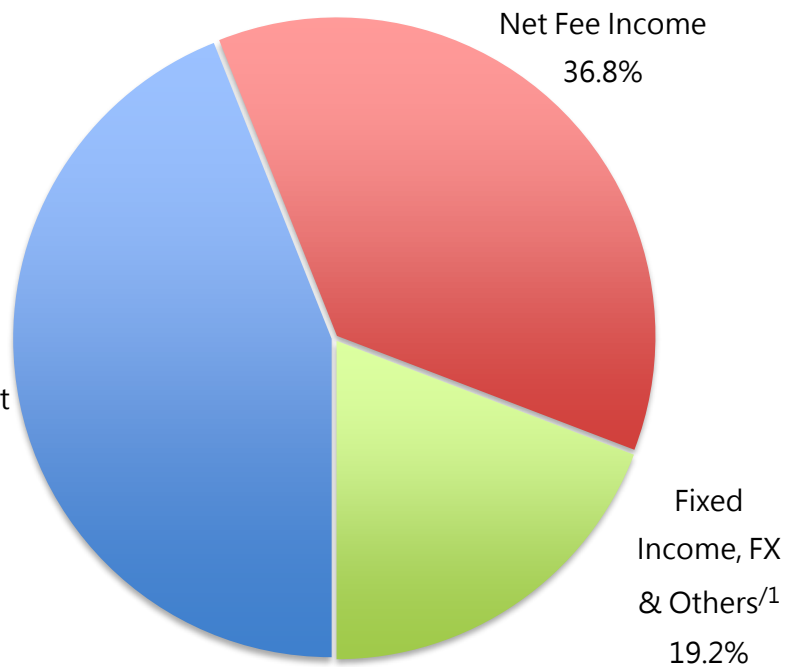


Note: Reviewed figures of Sep. 2021



FHC Revenue Breakdown

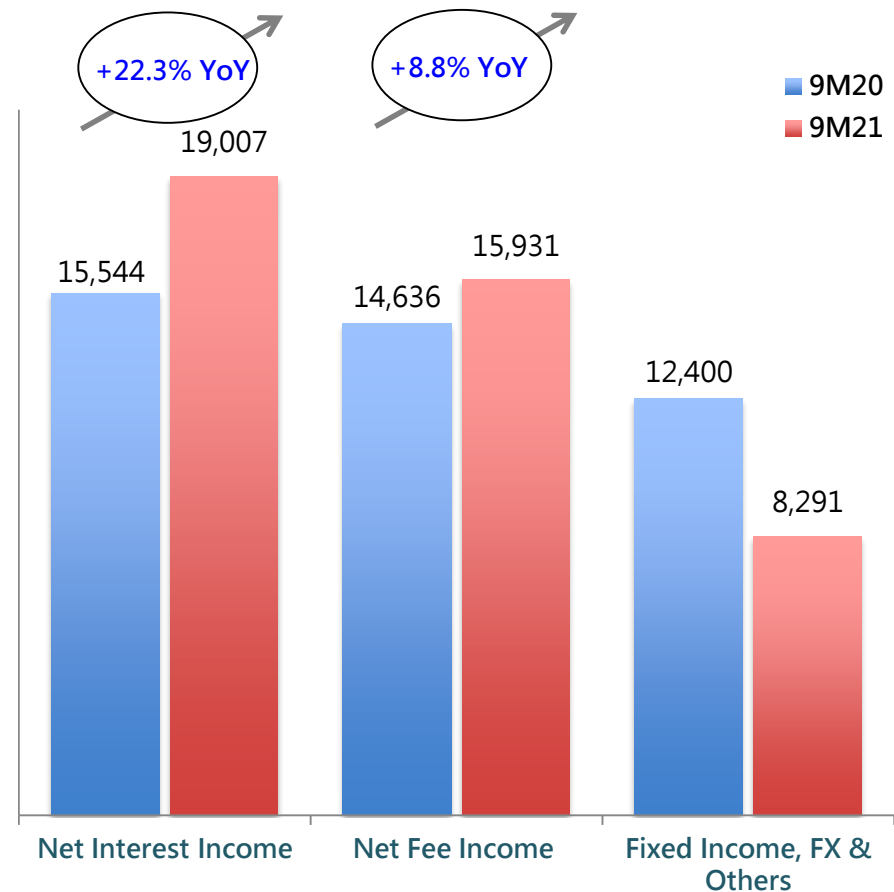
Total Net Revenue
NT\$ 43,229 million



Note: 1. 44.1% of "Fixed income, FX & Others" is associated with fixed income investment
2. Reviewed figures of Sep. 2021

YoY Comparison

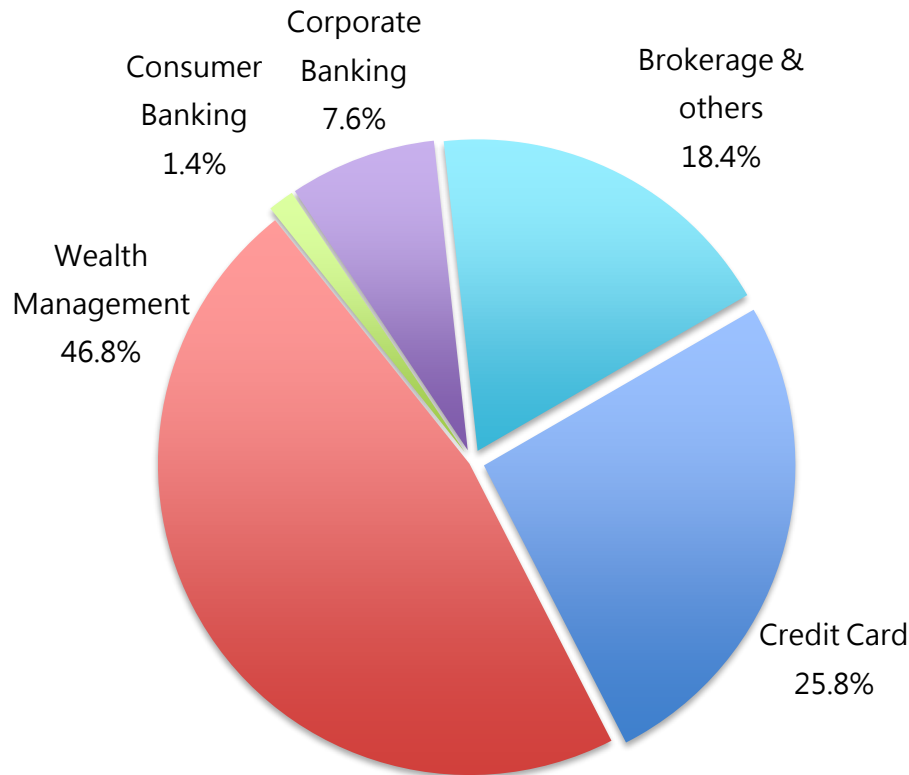
Unit: NT\$ million





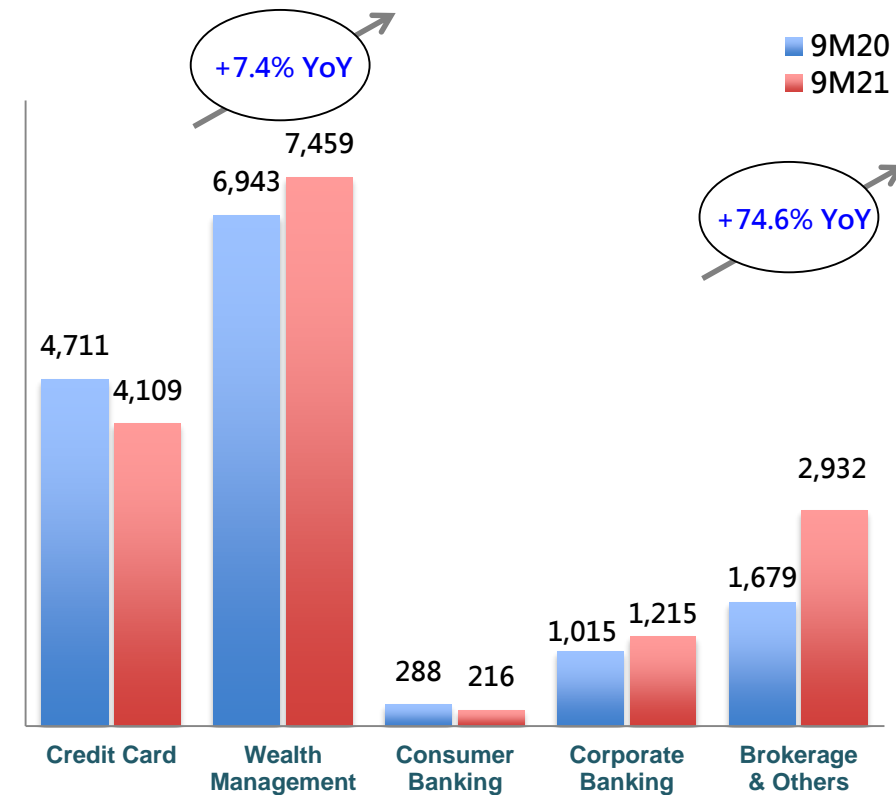
Net Fee Income Breakdown

Total Net Fee Income
NT 15,931 million



YoY Comparison

Unit: NT\$ million



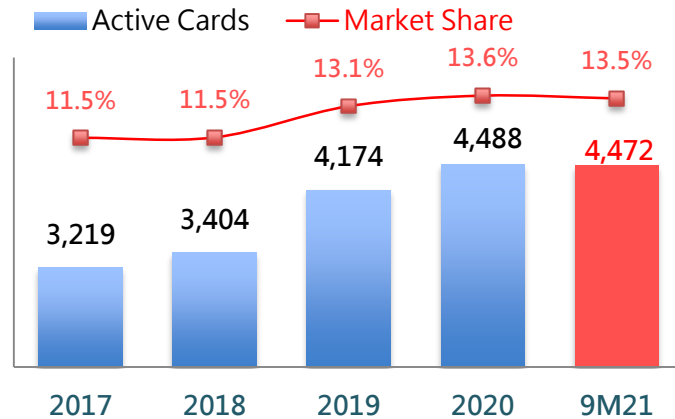
Note: Reviewed figures of Sep. 2021



Credit Card Business Breakdown

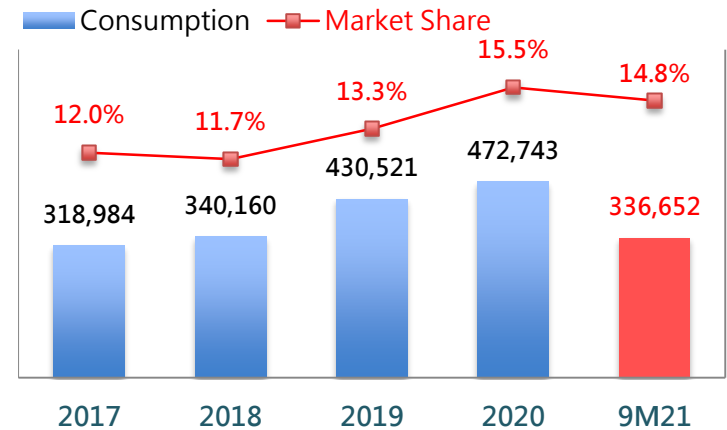
Active Cards

Unit: Thousand Cards, %



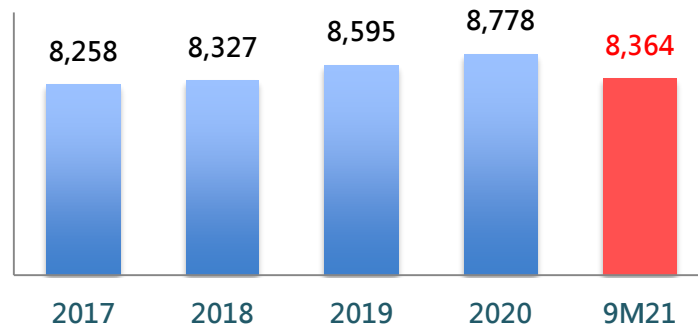
Card Consumption

Unit: NT\$ million



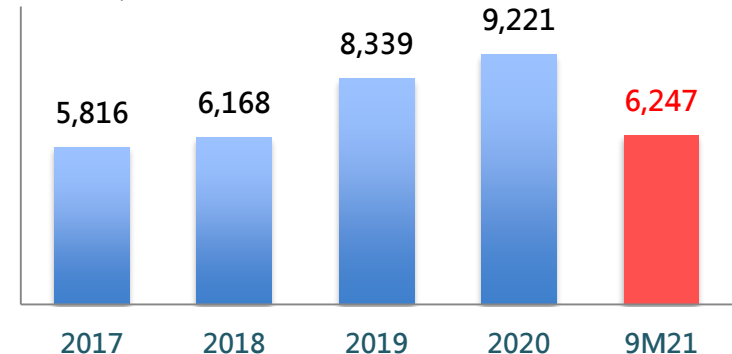
Per Card Spending (Monthly)

Unit: NT\$ dollar



Gross Fee Income

Unit: NT\$ million



Note: Market share data as of Aug. 2021



Deposit and Loan Structure

Unit: NT\$ Bn

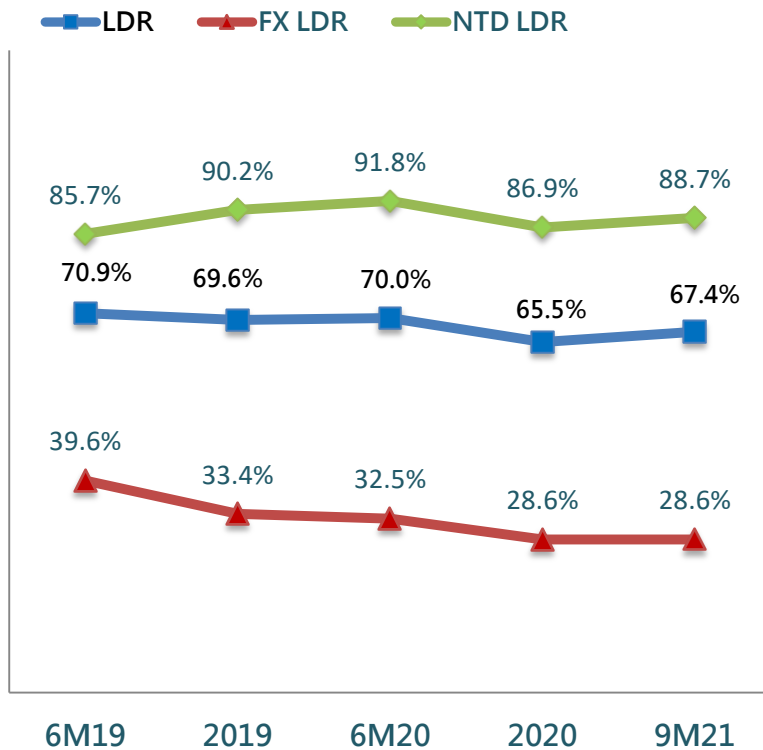
Category	2021.9	QoQ Growth %	2021.6	Ytd Growth %	2020
Total Deposits	2,510.5	2.1%	2,459.0	2.8%	2,442.2
Demand Deposits	1,043.8	3.2%	1,011.6	3.0%	1,013.5
Time Deposits	574.9	-2.1%	587.5	-1.7%	584.8
FCY Deposits	891.8	3.7%	859.9	5.7%	843.9
Total Loans ^{/1}	1,692.5	3.3%	1,637.9	5.8%	1,599.2
Corporate Loans	826.1	4.2%	793.0	7.4%	769.5
SME Loans	464.4	3.5%	448.9	8.5%	428.1
FCY Loans	255.4	1.9%	250.7	5.7%	241.6
Consumer Loans	866.4	2.6%	844.8	4.4%	829.7
Mortgage Loan	423.9	2.3%	414.2	4.0%	407.6
Unsecured Personal Loan	132.5	6.0%	125.0	9.6%	120.9
Credit Card Revolving Balance	12.3	-0.8%	12.4	-3.9%	12.8

Note: Not including loan balance of subsidiaries NT\$51 billion



Deposit Structure

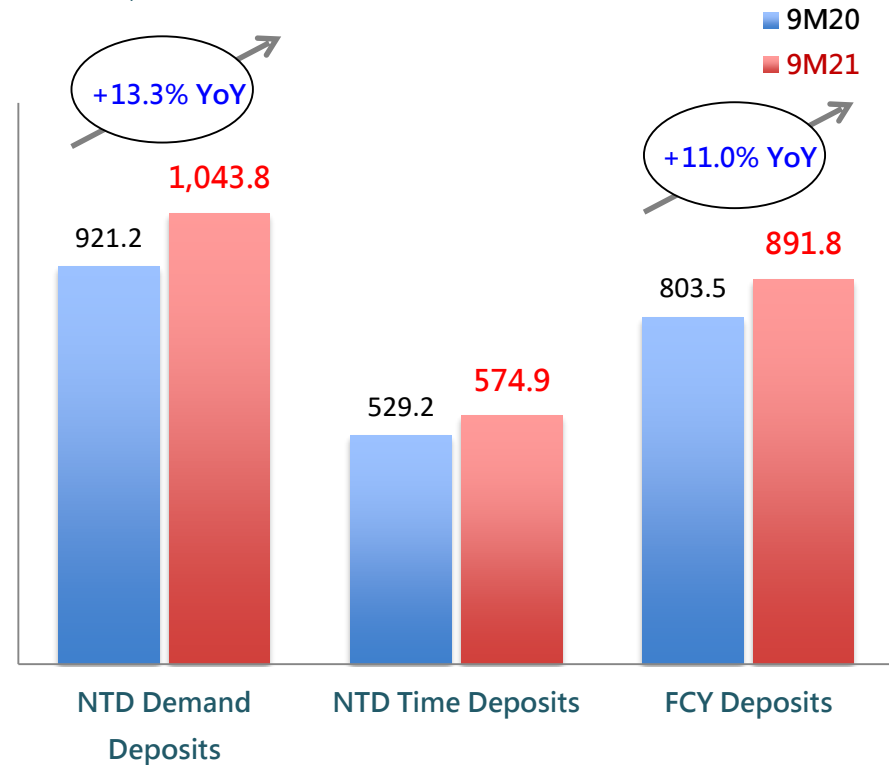
Loan to Deposit Ratio



Note: Data of E.SUN Bank

Deposit Structure

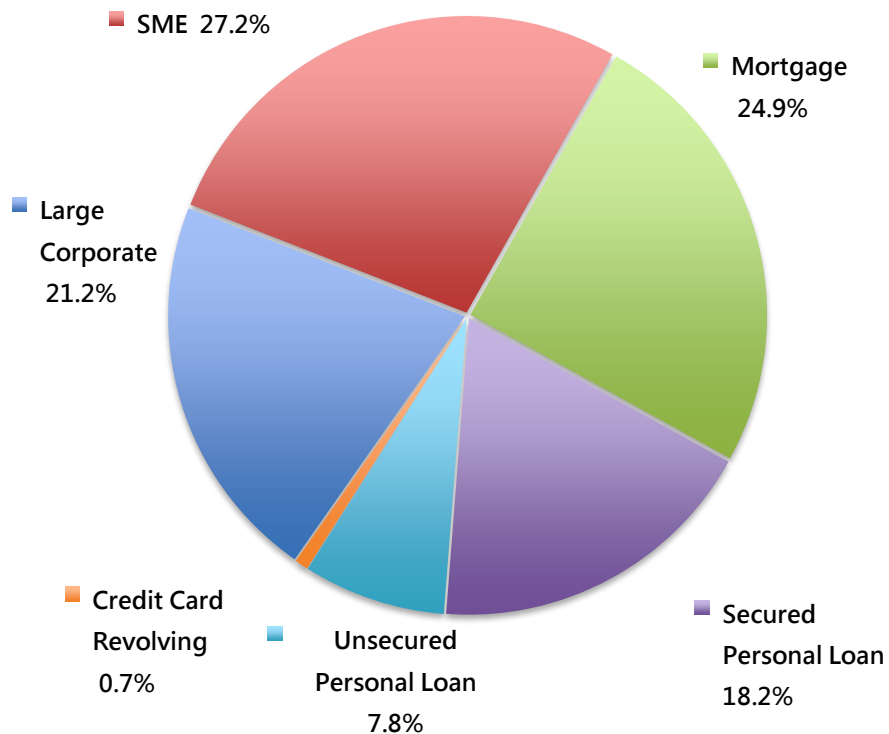
Unit: NT \$Bn





Loan Portfolio Breakdown

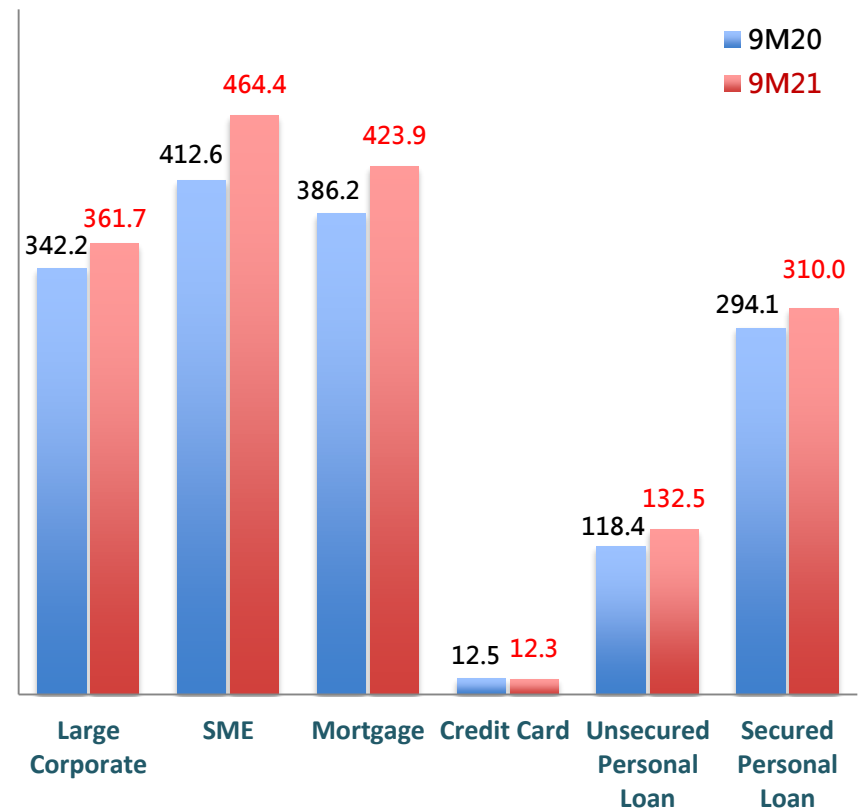
Total Loan
NT\$ 1,704.8 billion



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

YoY Comparison

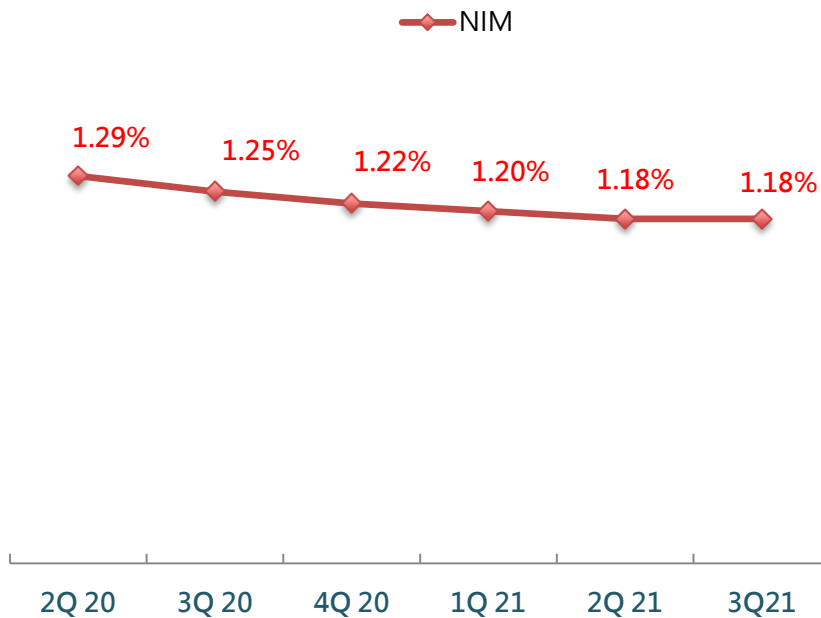
Unit: NT\$ Bn



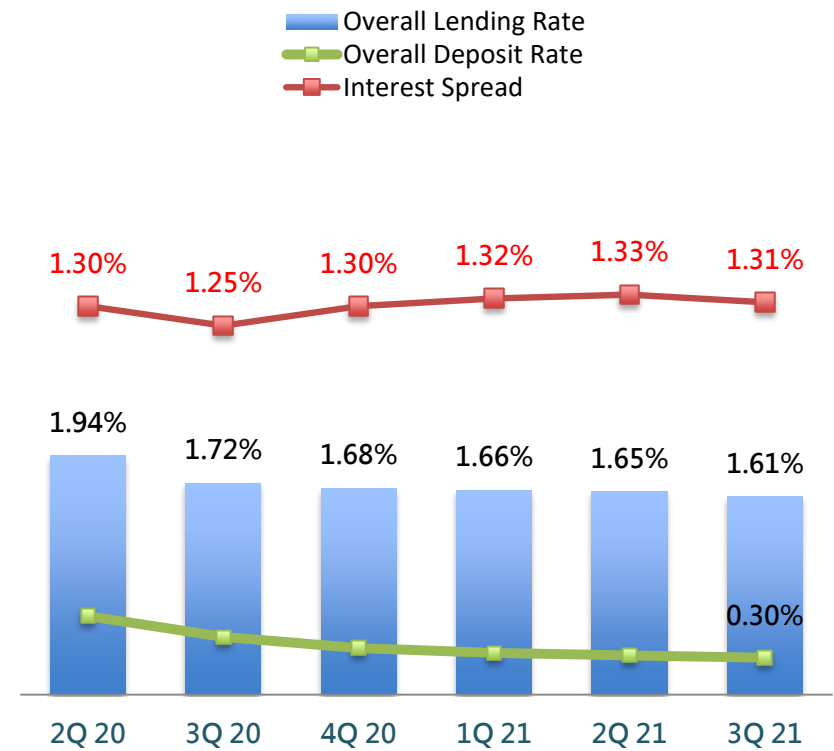


NIM and Spread

Quarterly Net Interest Margin



Quarterly Interest Spread



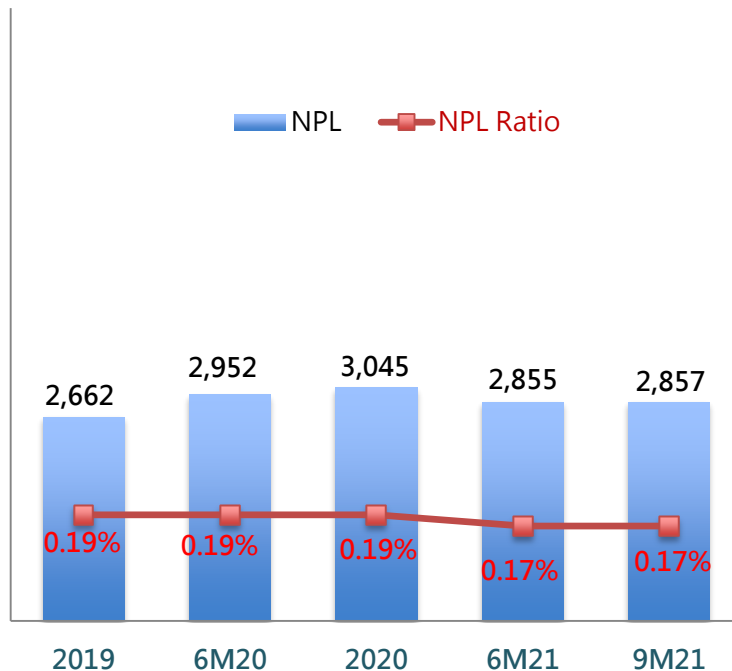
Note: Data of E.SUN Bank



Superior Asset Quality ^{1/3}

NPL Ratio(%)

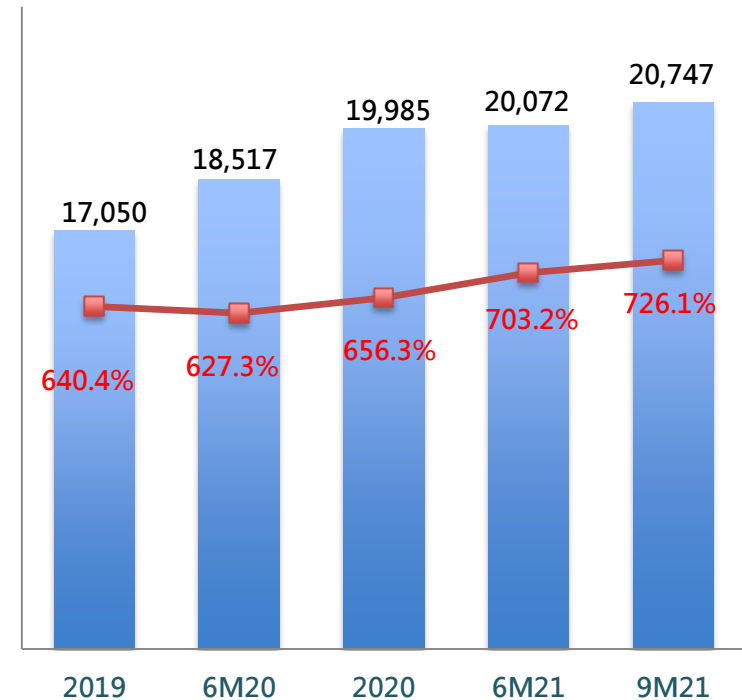
Unit: NT\$ million



Coverage Ratio(%)

Unit: NT\$ million

Loan Loss Reserve Coverage Ratio

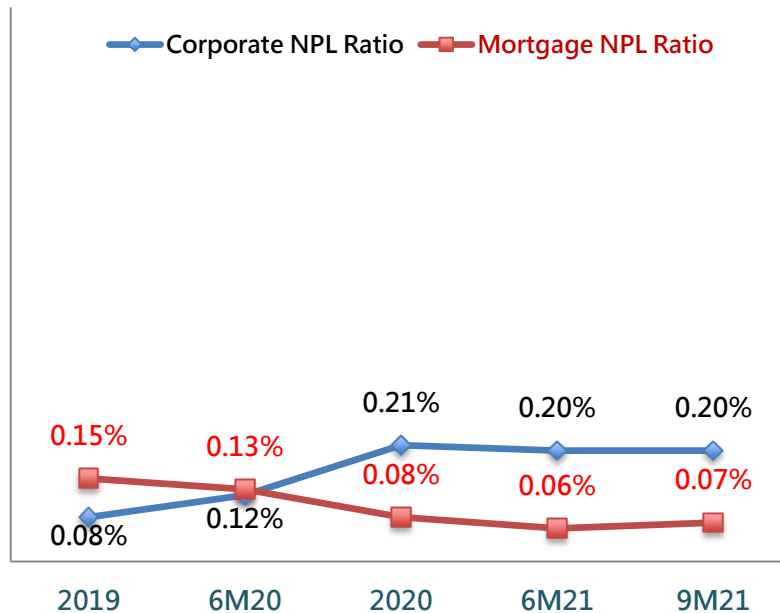


Note: Data of E.SUN Bank



Superior Asset Quality 2/3

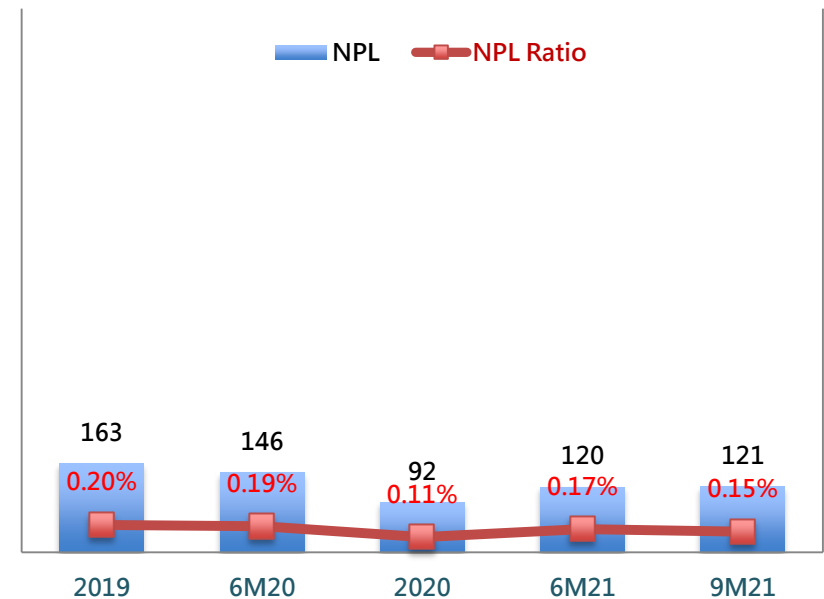
NPL Ratio for Major Products



Note: Data of E.SUN Bank

NPL Ratio for Credit Card

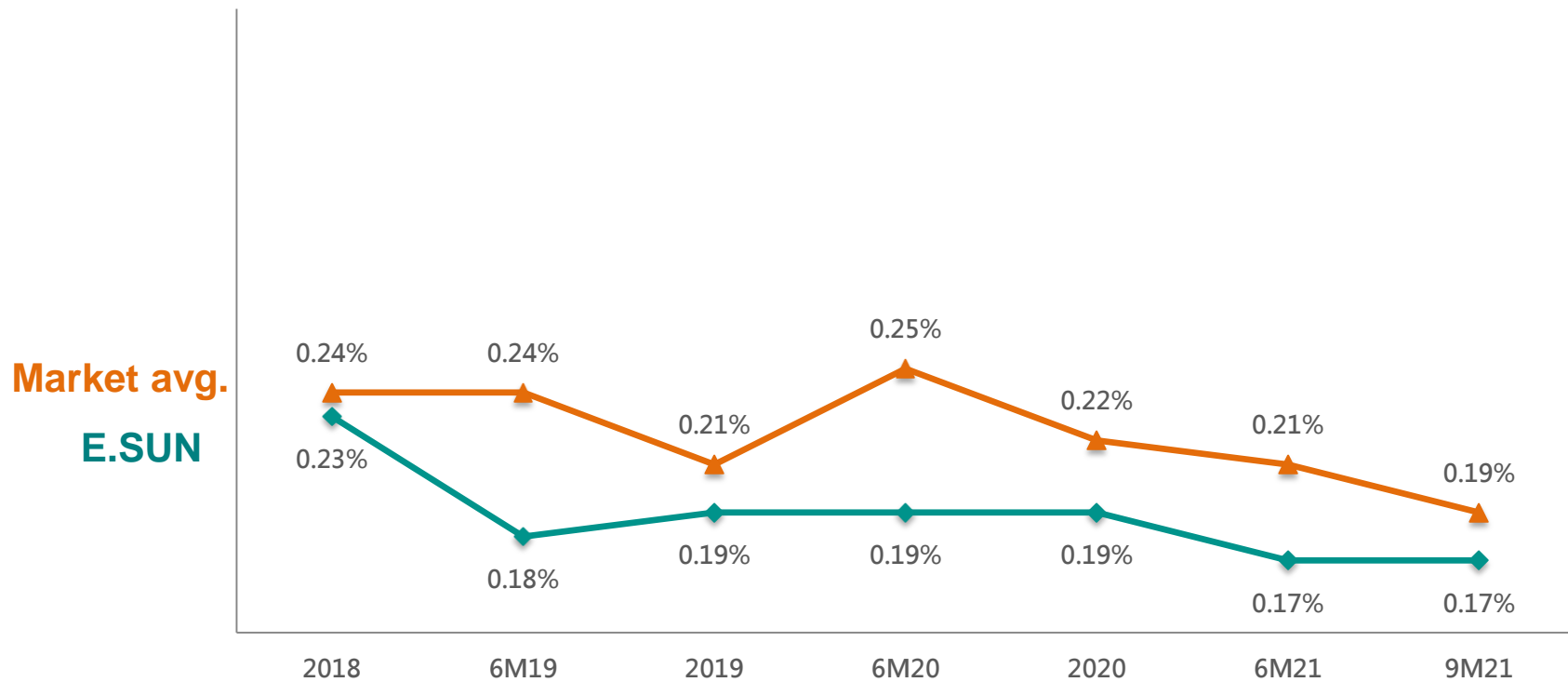
Unit: NT\$ million





Superior Asset Quality 3/3

NPL Comparison with Market



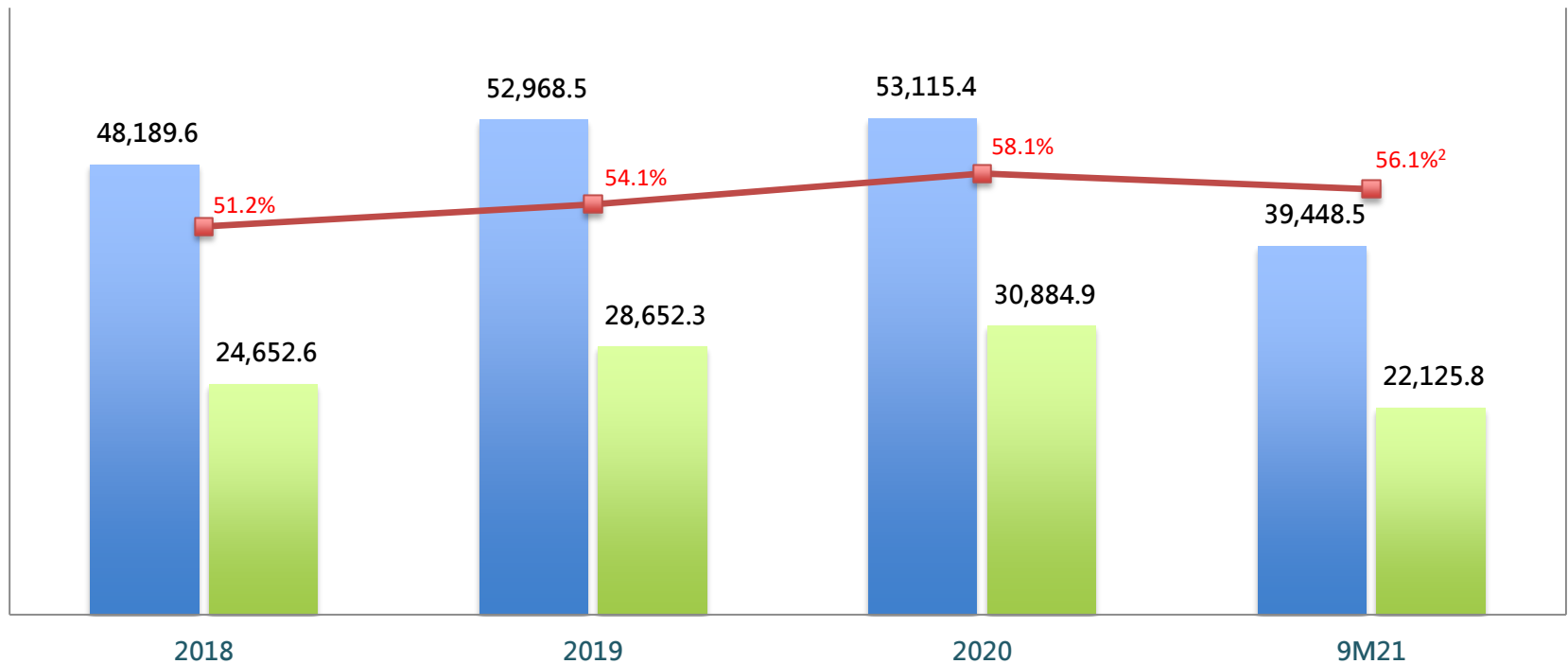
Source: FSC



Cost-Income Ratio

Unit: NT\$ million

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

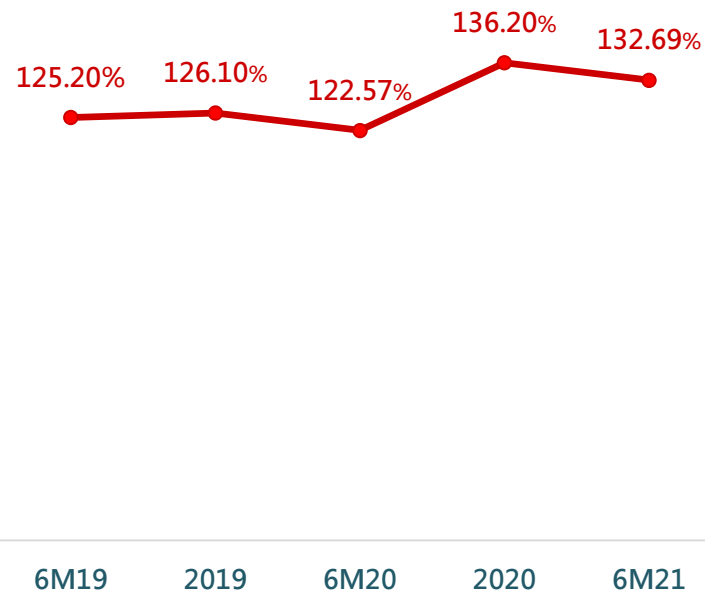


Note: 1. Data of E.SUN Bank
2. Reviewed figures of Sep. 2021

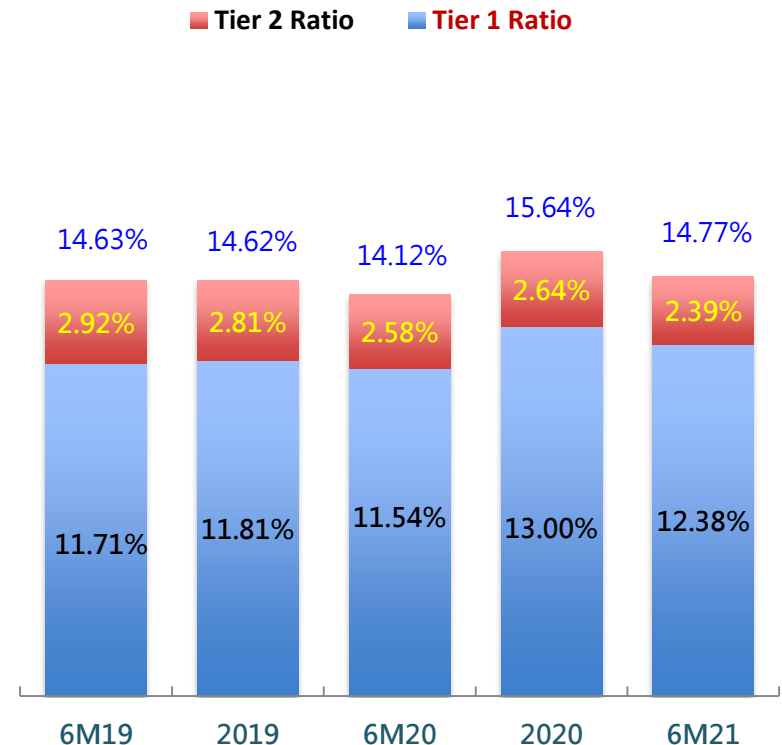


Capital Adequacy Ratio

FHC CAR Ratio



Bank BIS Ratio



Note: 1. Audit figures of Jun. 2021
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) 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 as of Sep. 30, 2021

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	189,224	1,000	293	1,027	189,310
Securities, net	936,773	1,411	4,454	148	942,780
Loans, net	1,723,385	0	0	0	1,723,385
A/R, net	103,123	17,515	0	101	120,435
Land, premises and equipments, net	32,698	357	0	6	33,316
Others	38,544	5,067	35	197,601	43,111
Total assets	3,023,747	25,350	4,782	198,883	3,052,337
Liabilities:					
Deposits	2,553,779	0	0	0	2,550,344
Other liabilities	285,634	18,762	259	9,368	312,332
Total liabilities	2,839,413	18,762	259	9,368	2,862,676
Total stockholders' equity	184,334	6,588	4,523	189,515	189,661
Total equity attributable to owners of the company	184,178	6,588	4,523	189,515	189,515
Non-Controlling interests	156	0	0	0	146
Total liabilities and stockholders' equity	3,023,747	25,350	4,782	198,883	3,052,337

Note: Reviewed figures of Sep. 2021



P&L of E.SUN FHC and its subsidiaries for 9M2021

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	18,719	332	0	(47)	19,007
Net fee income	13,572	2,366	0	0	15,931
Net trading income/(loss) & Derivatives & FX	6,997	198	943	0	8,139
Others	160	117	0	16,171	152
Total Net Revenues	39,448	3,013	943	16,124	43,229
Allowance for bad-debt expenses	(1,083)	4	0	0	(1,079)
Operating expenses	(22,126)	(1,402)	(21)	(216)	(23,572)
Income before income tax	16,239	1,615	922	15,908	18,578
Income tax expenses	(2,317)	(293)	(46)	(23)	(2,679)
Net Income	13,922	1,322	876	15,885	15,899
Attributable to owners of the company	13,907	1,322	876	15,885	15,885
Non-controlling interests	15	0	0	0	14

Note: Reviewed figures of Sep. 2021



E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21
Assets :									
Cash and due from banks	132,444	128,579	175,722	180,827	167,787	175,722	142,928	180,384	189,310
Securities, net	660,622	742,487	998,478	779,124	840,680	998,478	994,628	957,488	942,780
Loans, net	1,333,277	1,444,322	1,620,374	1,542,228	1,576,579	1,620,374	1,617,494	1,666,096	1,723,385
A/R, net	93,451	113,150	116,686	113,367	109,452	116,686	109,846	114,837	120,435
Land, premises and equipments, net	32,605	33,351	33,291	33,268	33,163	33,291	36,071	33,279	33,316
Others	35,388	36,469	27,194	48,927	54,014	27,194	27,314	48,587	43,111
Total assets	2,287,787	2,498,358	2,971,745	2,697,741	2,781,675	2,971,745	2,928,281	3,000,671	3,052,337
Liabilities:									
Deposits	1,885,885	2,082,070	2,484,605	2,198,597	2,291,068	2,484,605	2,434,369	2,485,975	2,550,344
Other liabilities	241,772	243,107	305,539	325,828	313,621	305,539	306,387	321,971	312,332
Total liabilities	2,127,657	2,325,177	2,790,144	2,524,425	2,604,689	2,790,144	2,740,756	2,807,946	2,862,676
Total stockholders' equity	160,130	173,181	181,601	173,316	176,986	181,601	187,525	192,725	189,661
Total equity attributable to owners of the company	160,014	173,058	181,469	173,200	176,864	181,469	187,391	192,585	189,515
Non-Controlling interests	116	123	132	116	122	132	134	140	146
Total liabilities and stockholders' equity	2,287,787	2,498,358	2,971,745	2,697,741	2,781,675	2,971,745	2,928,281	3,000,671	3,052,337

Note: Reviewed figures of Sep. 2021



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

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Operating income									
Net interest income	20,311	19,871	21,339	5,136	5,354	5,795	6,082	6,349	6,576
Fee income	16,371	18,725	19,831	4,800	4,810	5,195	5,273	5,139	5,519
Net trading income/(loss) & Derivatives & FX	12,459	15,629	14,707	5,001	3,430	2,626	2,306	2,797	3,036
Others	288	298	372	42	43	53	37	58	57
Total Net Revenues	49,429	54,523	56,249	14,979	13,637	13,669	13,698	14,343	15,188
Allowance for bad-debt expenses	(3,253)	(1,598)	(3,226)	(1,166)	(727)	(986)	358	(668)	(769)
Operating expenses	(25,839)	(29,855)	(32,494)	(8,018)	(8,004)	(8,448)	(7,817)	(7,766)	(7,989)
Income before income tax	20,337	23,070	20,529	5,795	4,906	4,235	6,239	5,909	6,430
Income tax expenses	(3,254)	(2,950)	(2,481)	(643)	(643)	(145)	(1,032)	(861)	(786)
Net Income	17,083	20,120	18,048	5,152	4,263	4,090	5,207	5,048	5,644
Income Attributable to owners of the company	17,069	20,105	18,027	5,149	4,256	4,081	5,205	5,042	5,638
Non-Controlling interests	14	15	21	3	7	9	2	6	6

Note: Reviewed figures of Sep. 2021



E.SUN Bank's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21
Assets :									
Cash and due from banks	132,378	128,432	175,678	180,704	167,699	175,678	142,869	180,264	189,224
Securities, net	656,564	737,525	970,129	773,921	835,123	970,129	969,116	951,715	936,773
Loans, net	1,333,277	1,444,322	1,620,374	1,542,228	1,576,579	1,620,374	1,617,494	1,666,096	1,723,385
A/R, net	85,317	103,686	102,012	102,814	99,905	102,012	94,333	96,067	103,123
Land, premises and equipments, net	31,950	32,725	32,689	32,663	32,570	32,689	35,473	32,677	32,698
Others	32,851	34,320	46,097	46,098	45,715	46,097	43,391	44,220	38,544
Total assets	2,272,337	2,481,010	2,946,979	2,678,428	2,757,591	2,946,979	2,902,676	2,971,039	3,023,747
Liabilities:									
Deposits	1,886,850	2,083,226	2,486,232	2,208,996	2,292,727	2,486,232	2,435,886	2,498,663	2,553,779
Other liabilities	227,217	226,694	282,949	299,276	291,216	282,949	284,233	292,085	285,634
Total liabilities	2,114,067	2,309,920	2,769,181	2,508,272	2,583,943	2,769,181	2,720,119	2,790,748	2,839,413
Total stockholders' equity	158,270	171,090	177,798	170,156	173,648	177,798	182,557	180,291	184,334
Total equity attributable to owners of the company	158,147	170,959	177,657	170,033	173,518	177,657	182,414	180,142	184,178
Non-Controlling interests	123	131	141	123	130	141	143	149	156
Total liabilities and stockholders' equity	2,272,337	2,481,010	2,946,979	2,678,428	2,757,591	2,946,979	2,902,676	2,971,039	3,023,747

Note: Reviewed figures of Sep. 2021



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

NT\$ million	Yearly Results			Quarterly Results					
	2018	2019	2020	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Operating income									
Net interest income	20,031	19,657	21,095	5,088	5,288	5,728	6,001	6,251	6,467
Fee income	15,359	17,712	18,044	4,393	4,290	4,690	4,598	4,261	4,713
Net trading income/(loss) & Derivatives & FX	12,485	15,297	13,593	4,075	3,153	2,258	1,746	2,693	2,558
Others	314	302	383	48	45	54	39	60	61
Total Net Revenues	48,189	52,968	53,115	13,604	12,776	12,730	12,384	13,265	13,799
Allowance for bad-debt expenses	(3,209)	(1,603)	(3,241)	(1,166)	(736)	(985)	355	(669)	(769)
Operating expenses	(24,653)	(28,652)	(30,885)	(7,639)	(7,528)	(8,041)	(7,437)	(7,253)	(7,436)
Income before income tax	20,327	22,713	18,989	4,799	4,512	3,704	5,302	5,343	5,594
Income tax expenses	(3,204)	(3,054)	(2,501)	(755)	(622)	(188)	(881)	(768)	(668)
Net Income	17,123	19,659	16,488	4,044	3,890	3,516	4,421	4,575	4,926
Attributable to owners of the company	17,108	19,643	16,465	4,041	3,883	3,505	4,419	4,568	4,920
Non-controlling interests	15	16	23	3	7	11	2	7	6

Note: Reviewed figures of Sep. 2021