

E.SUN FHC Financial Review of 4Q 2022

February 2023



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- 2022 4Q Financial Performance
- 2022 4Q Business Operation Overview
- Appendix



E.SUN FHC Summary

		Unit : NT\$ million	
		2022.12/ ¹	2021.12
Total Assets	FHC	3,479,560	3,230,908
	Bank	3,458,024	3,196,117
	Securities	17,797	30,809
	Venture Capital	4,979	5,248
Key Financials	Book value per share (NT\$)	13.80	14.54
	Double Leverage Ratio	103.15%	103.06%
	FHC CAR	127.54%	123.48%
Channels	Bank – domestic	139	139
	Oversea channels	Branch: HK, LA, Singapore, Vietnam, Myanmar, Japan, Sydney, Brisbane Subsidiary: China and Cambodia (UCB) Rep office in Hanoi, HCM City, and Bangkok 30 overseas sites	
	Securities - branches	17	17

Note: 1. Audit figures of Dec. 2022

2. Share owned by QFII: 32.77%, as of Dec. 31, 2022



4Q22 Business and Financial Review

Financial Performance

- For 2022, E.SUN FHC's net revenues was NT\$54.8 billion. Net profit was NT\$15.8 billion (-23.3%).
- EPS NT \$1.1, ROE 8.06%, ROA 0.47%; E.SUN Bank reported net profit NT\$14.8 billion (-15.7%).
- Preliminary earnings of Jan. 2023 for FHC is NT\$2.7 billion, for Bank is NT\$2.6 billion; both are the second highest record of monthly earning.

Business Operation

- Balanced loan growth of 9.4%, in which FCY growth was 20.2%, SME growth was 8%; sustainability related loan growth was 14.1%, and accounted for 33.8% of corporate loan balance.
- Net fee income NT\$ 19.3 billion (-9.6%). Credit card fee NT \$6.4 billion (+11.4%), WM fee NT\$ 7.9 billion (-19.9%), corporate banking fee NT \$1.9 billion (+18.7%).
- Asset quality was benign, NPL ratio at 0.16% and coverage ratio at 752.6%.

Highlights

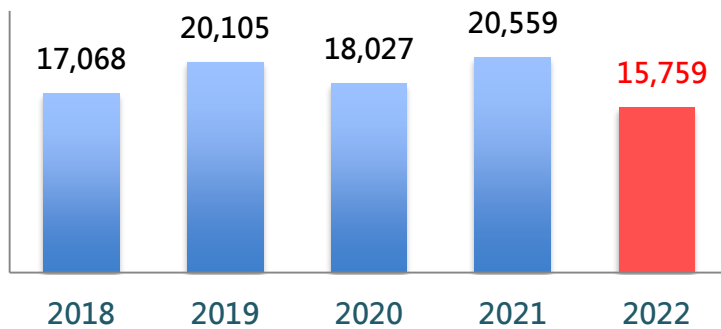
- Dividend policy: The Board of Directors approved to pay NT \$0.6 per share, including \$0.2 in cash and \$0.4 in stock (subject to resolution from the AGM).
- Capital Raising: Inject into E.SUN Bank for future business expansion and to fund the long-term strategic development of the Group.
- Honors and recognitions: 12th time winner of The Asset ESG Corporate Platinum Award.
- ESG: Ranked top 1% in banking sector by S&P Global Sustainability Yearbook 2023; The only in Taiwan, only three in Asia nominated "Regional Top Rated" and "Industry Top Rated" by Sustainalytics.



Financial Performance

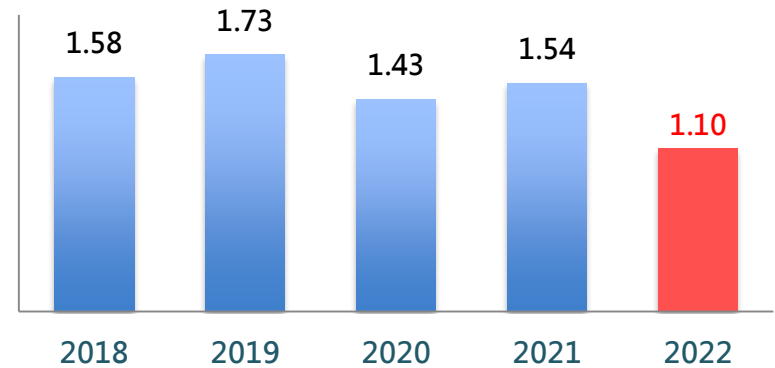
Net Profit

Unit: NT\$ million

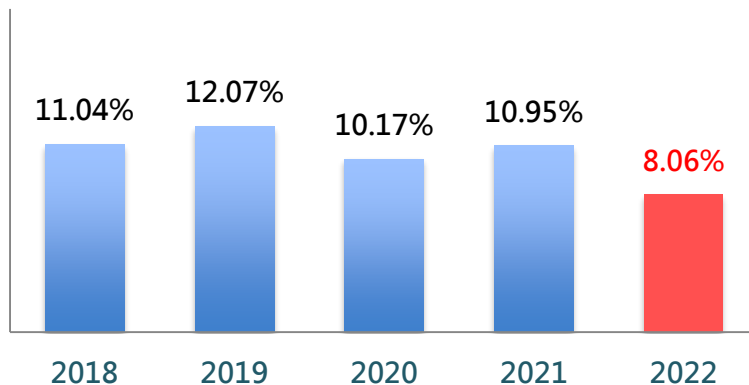


EPS

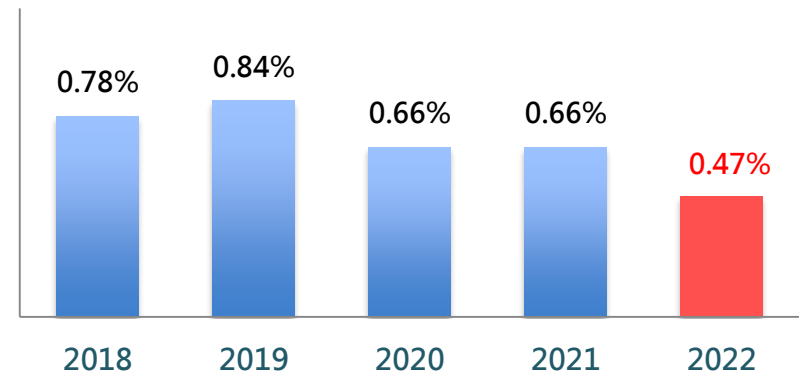
Unit: NT\$ dollars



ROE



ROA

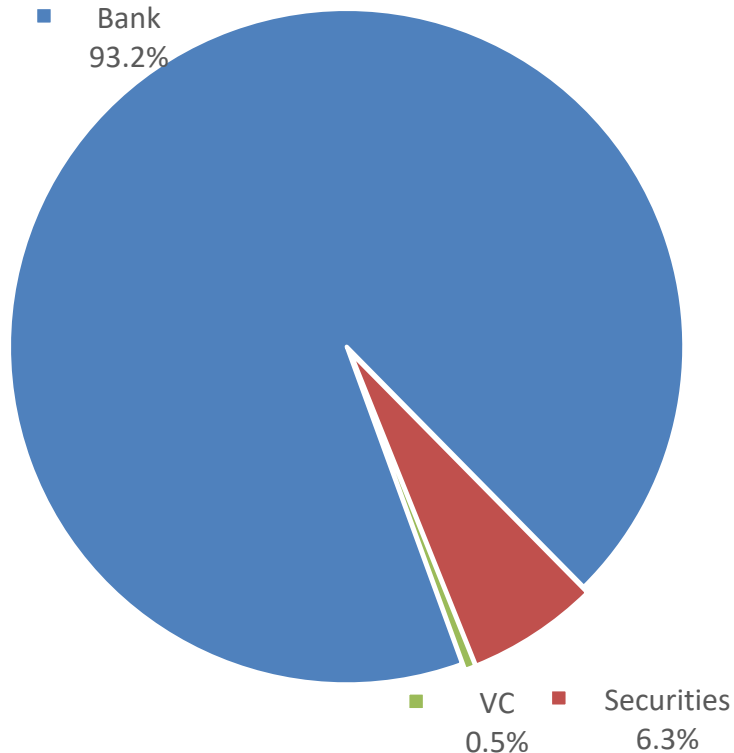


Note: Audit figures of Dec. 2022



Net Income of FHC & its Subsidiaries

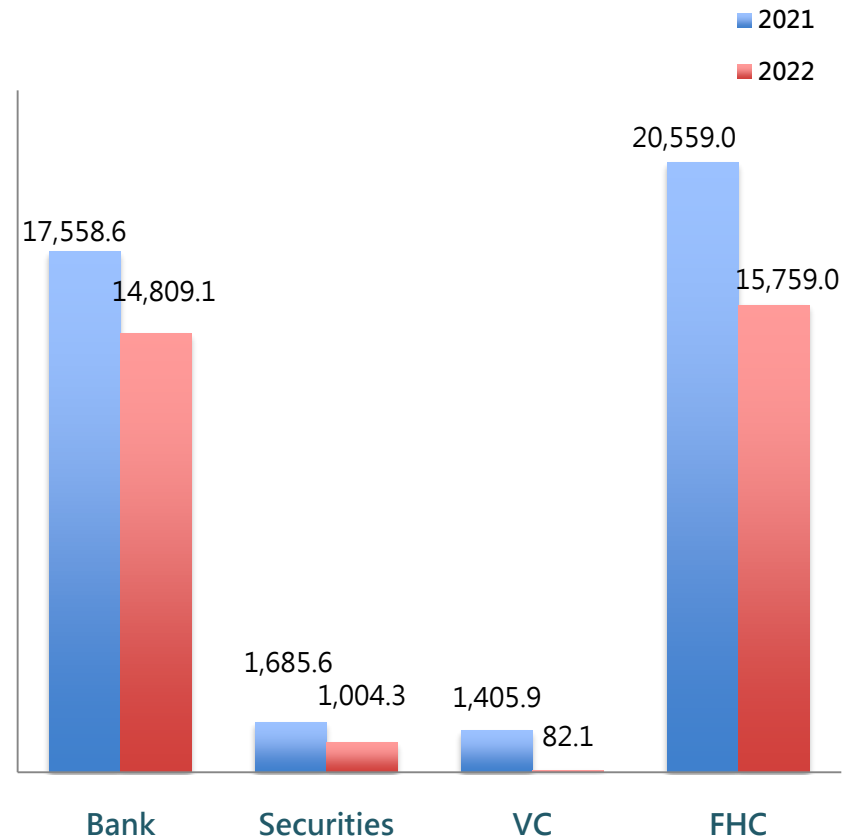
Contribution by Subsidiaries



Note: Audit figures of Dec. 2022

Net Income of FHC and its Subsidiaries

Unit: NT\$ million

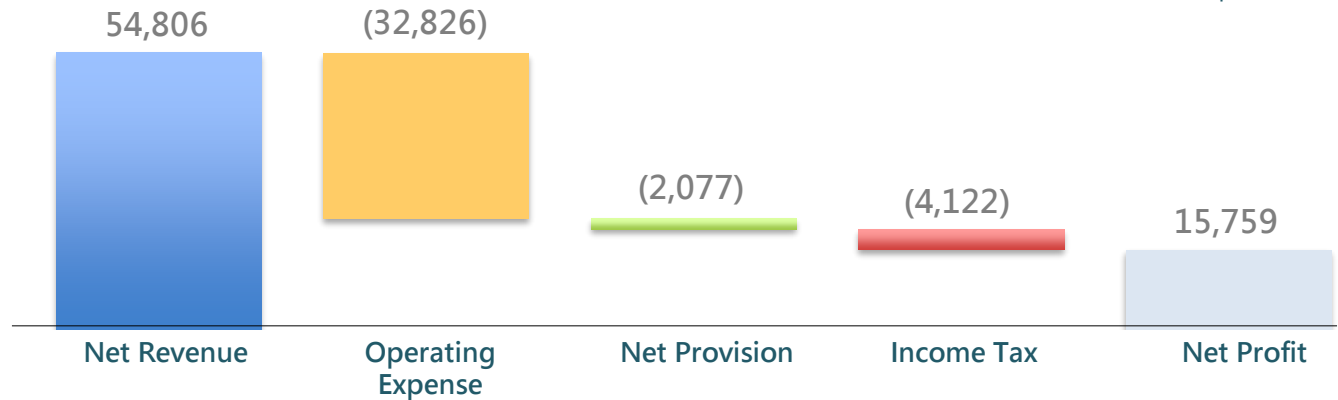




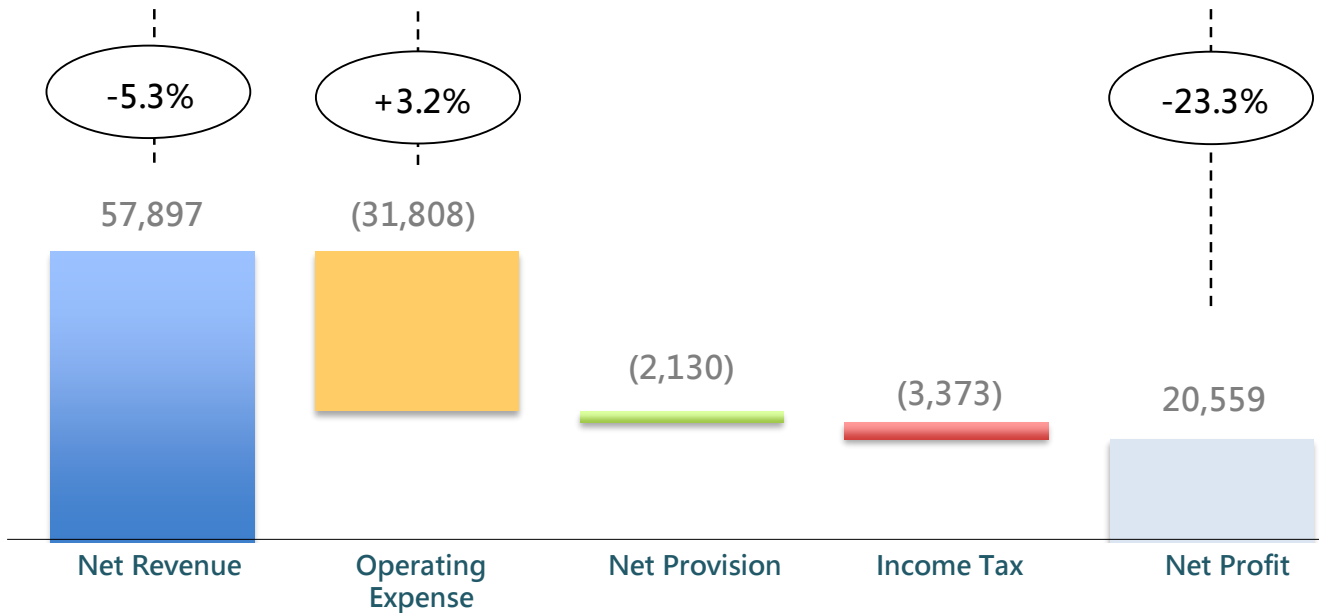
Net Profit Breakdown

Unit: NT\$ million

2022 P&L



2021 P&L

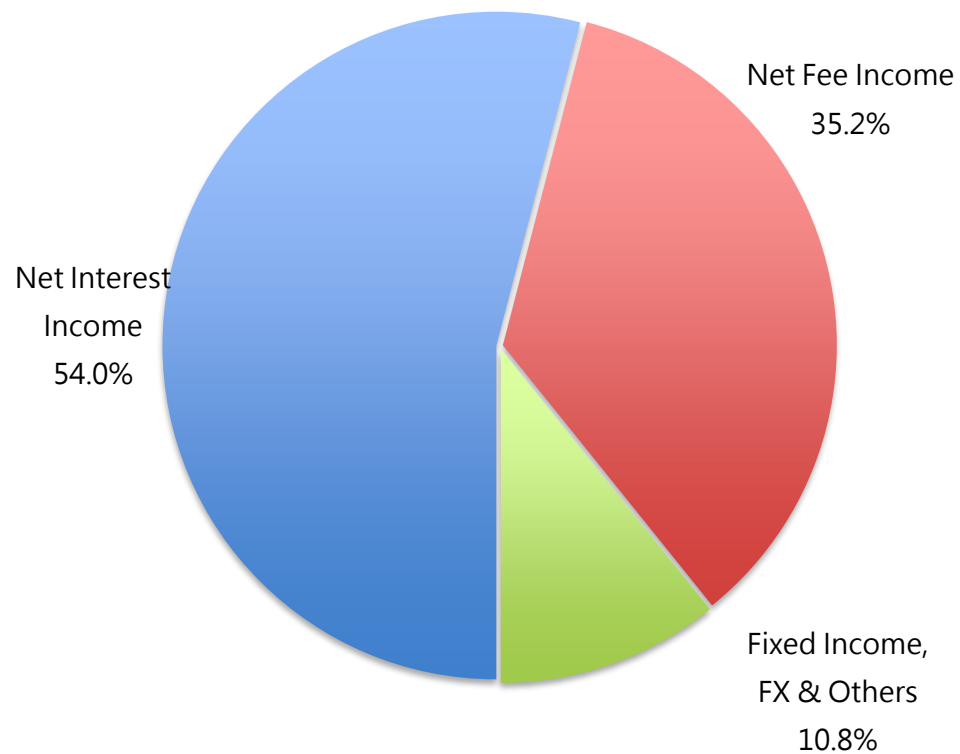


Note: Audit figures of Dec. 2022



FHC Revenue Breakdown

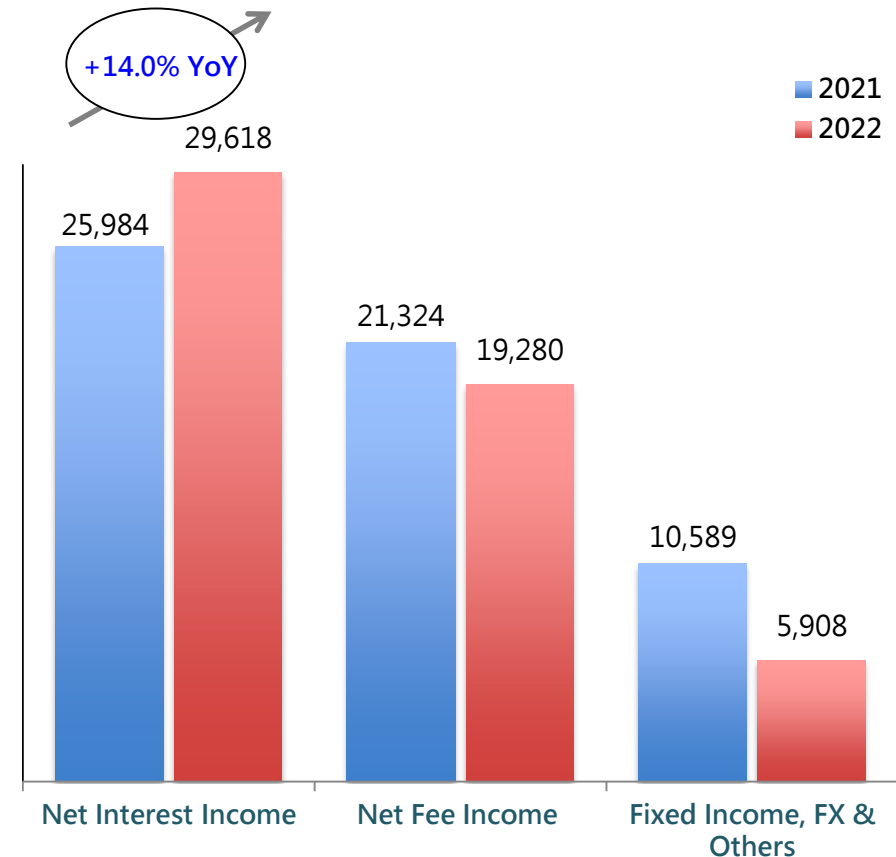
Total Net Revenue
NT\$ 54,806 million



Note: Audit figures of Dec. 2022

YoY Comparison

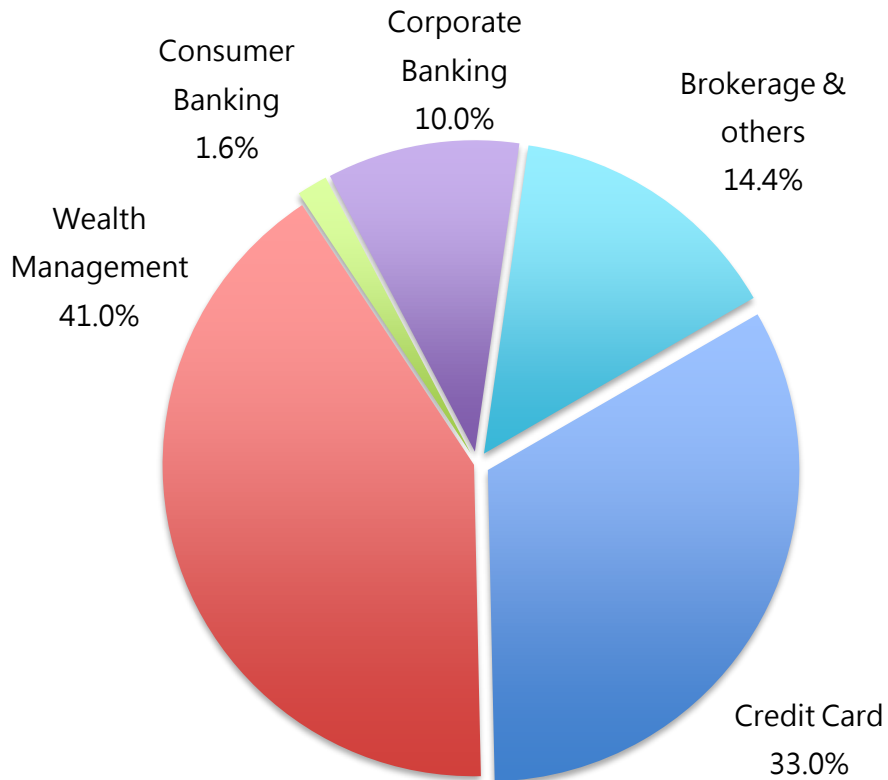
Unit: NT\$ million





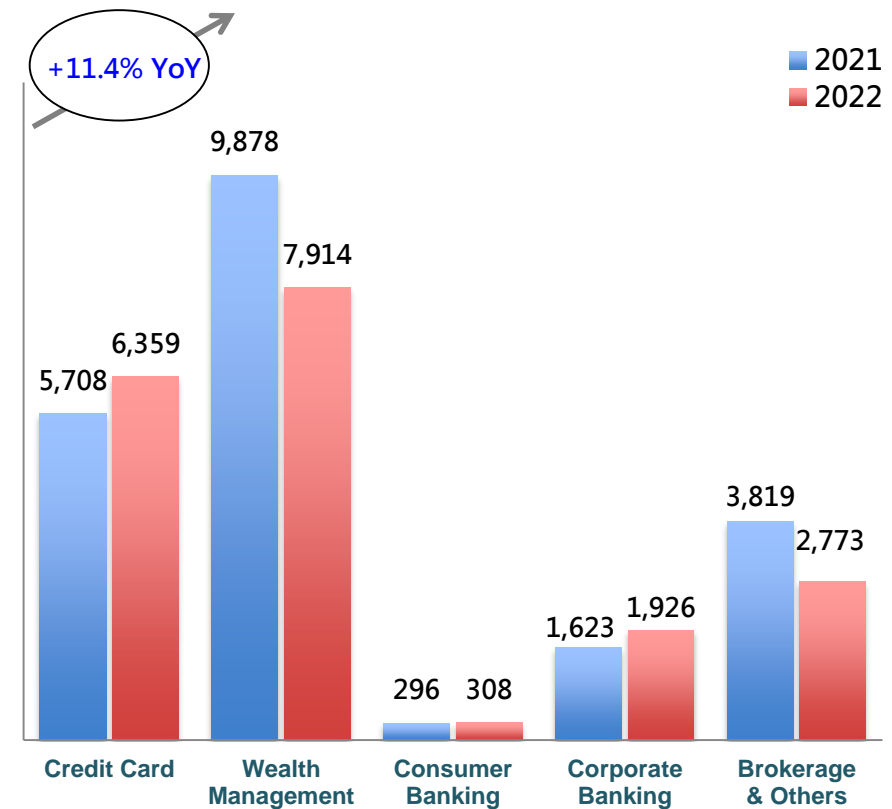
Net Fee Income Breakdown

Total Net Fee Income
NT\$ 19,280 million



YoY Comparison

Unit: NT\$ million



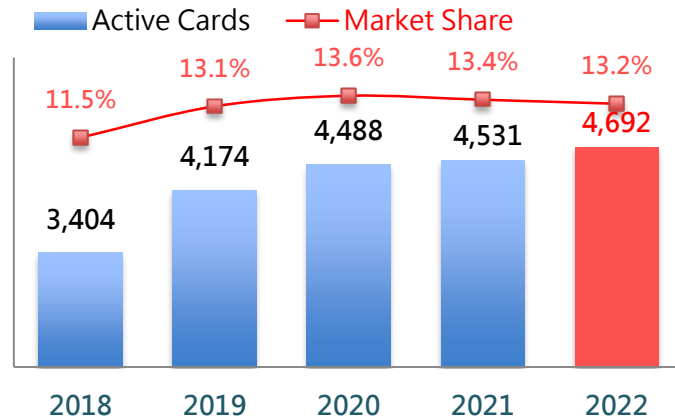
Note: Audit figures of Dec. 2022



Credit Card Business Breakdown

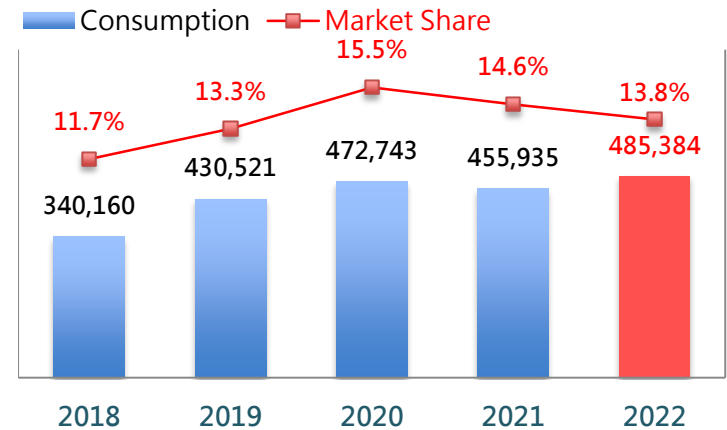
Active Cards

Unit: Thousand Cards, %



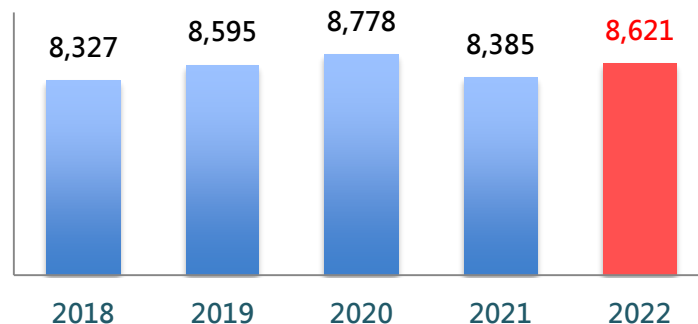
Card Consumption

Unit: NT\$ million



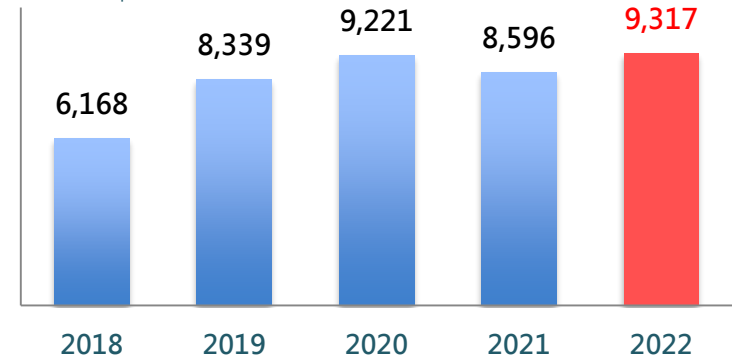
Per Card Spending (Monthly)

Unit: NT\$ dollar



Gross Fee Income

Unit: NT\$ million





Deposit and Loan Structure

Unit: NT\$ Bn

Category	2022.12	QoQ Growth %	2022.9	YoY Growth %	2021.12
Total Deposits ^{/1}	2,902.7	1.7%	2,855.3	7.6%	2,698.6
Demand Deposits	1,102.1	2.3%	1,077.2	0.8%	1,093.0
Time Deposits ^{/1}	663.1	8.0%	614.2	10.7%	598.9
FCY Deposits	1,137.5	-2.3%	1,163.9	13.0%	1,006.7
Total Loans ^{/1-2}	1,959.1	0.9%	1,941.4	9.4%	1,790.7
Corporate Loans	931.1	0.8%	923.6	10.9%	839.6
SME Loans	506.0	2.1%	495.5	8.0%	468.6
FCY Loans ^{/1-2}	376.3	-0.9%	379.7	20.2%	313.0
Consumer Loans	967.0	1.0%	957.7	7.6%	898.7
Mortgage Loan	480.1	0.3%	478.5	8.9%	440.7
Unsecured Personal Loan	130.5	-2.6%	134.0	-5.0%	137.3
Credit Card Revolving Balance	13.3	3.9%	12.8	8.1%	12.3

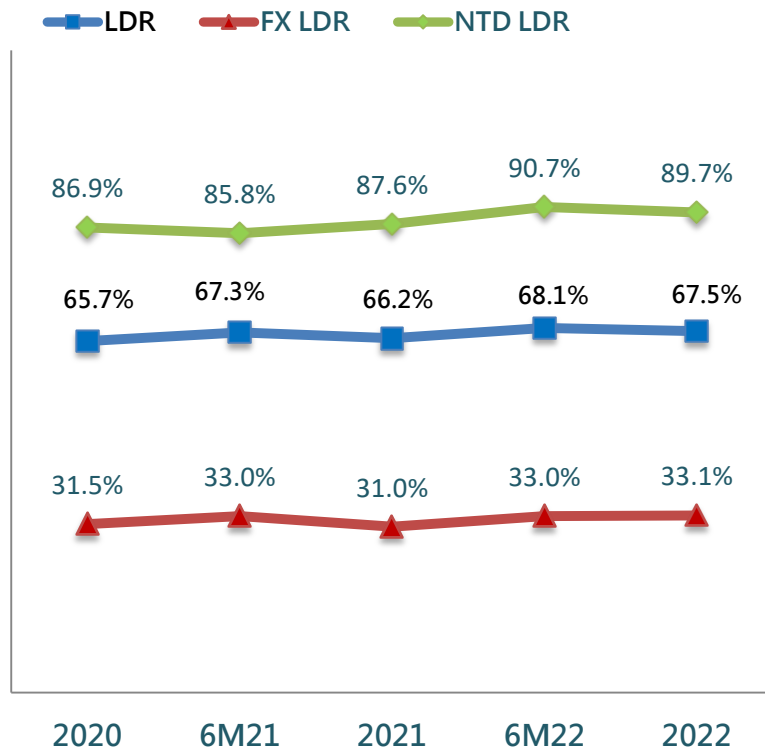
Note: 1. E.SUN Bank Consolidated

2. Loan balance of subsidiaries NT\$ 61.5 billion



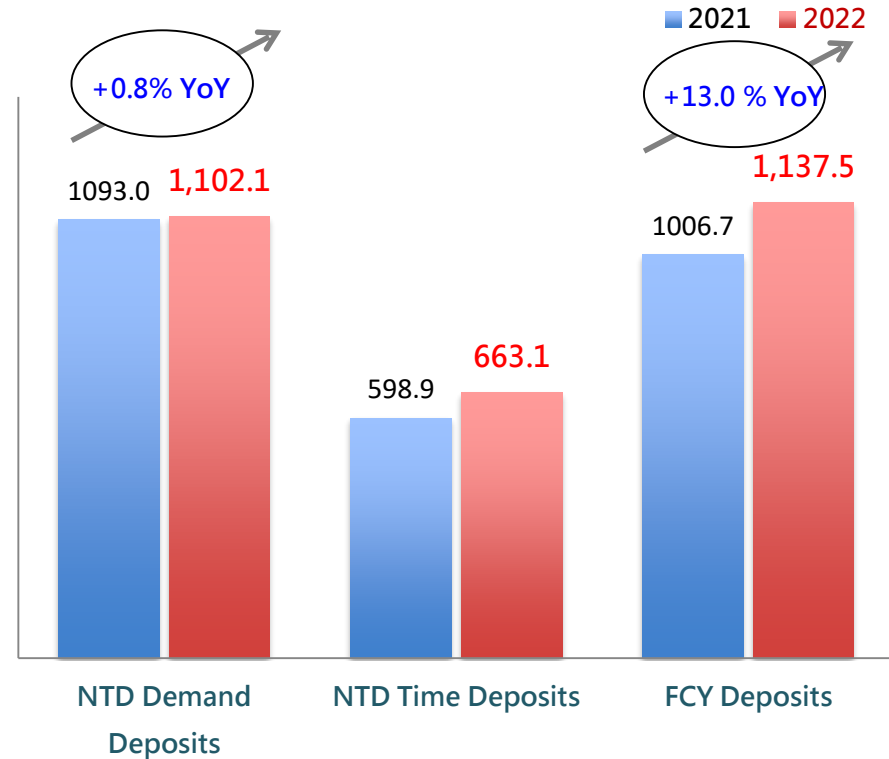
Deposit Structure

Loan to Deposit Ratio



Deposit Structure

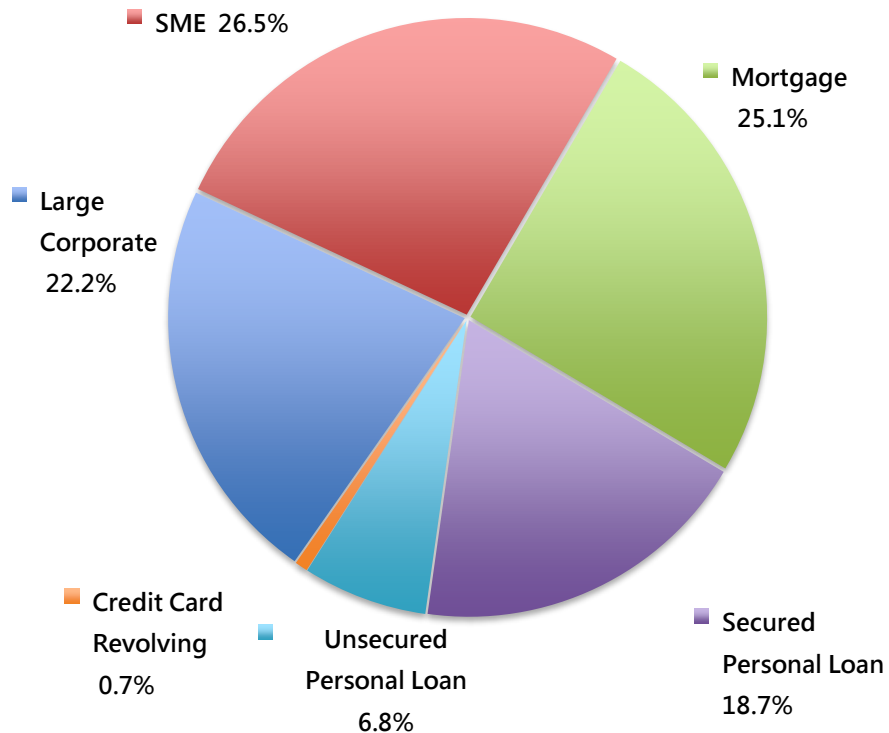
Unit: NT \$Bn





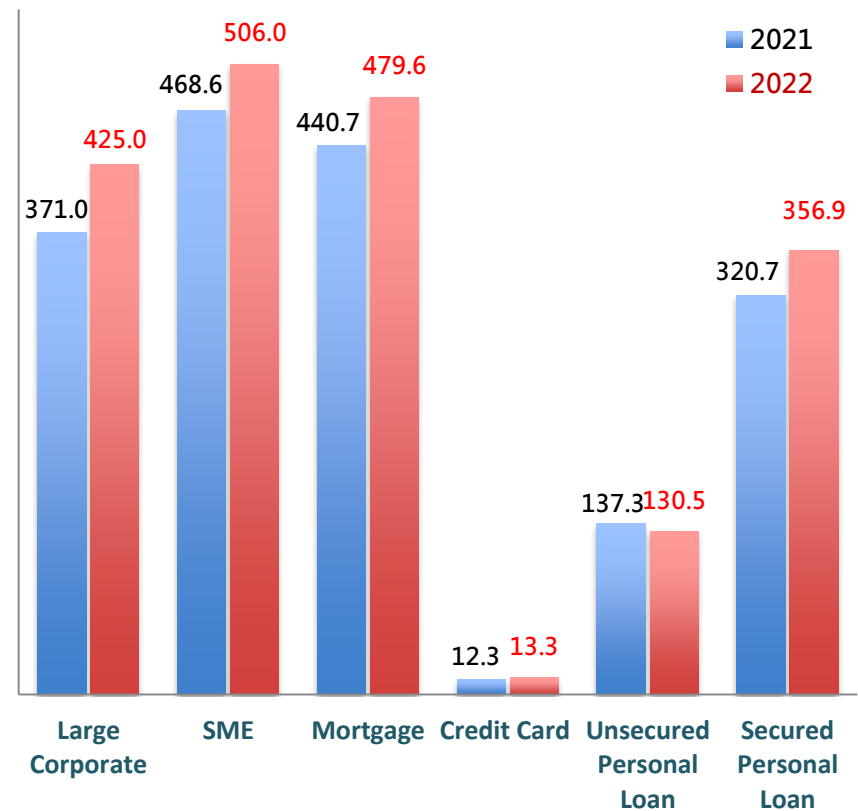
Loan Portfolio Breakdown

Total Loan
NT\$ 1,911 billion



YoY Comparison

Unit: NT\$ Bn

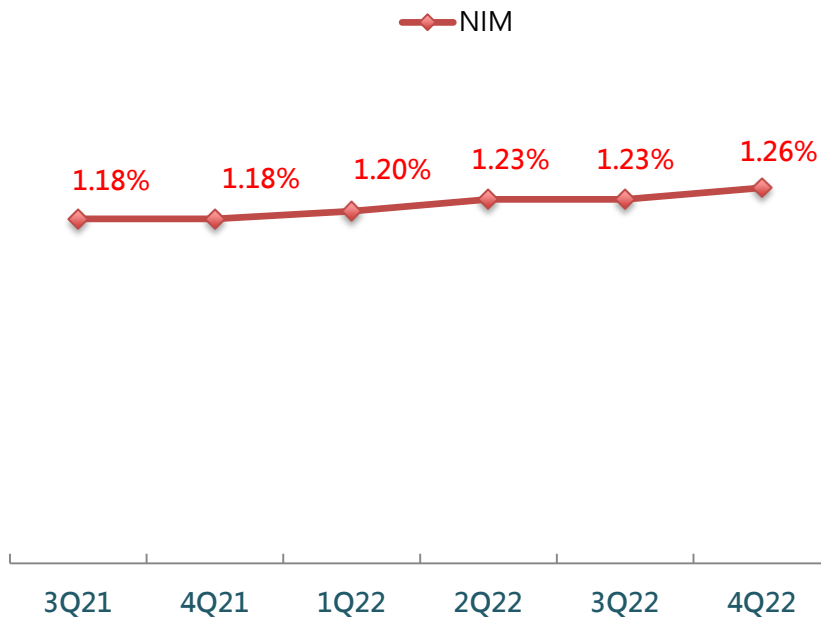


Note: 1. Secured Personal Loan is fully collateralized by fixed asset
2. Data of E.SUN Bank standalone

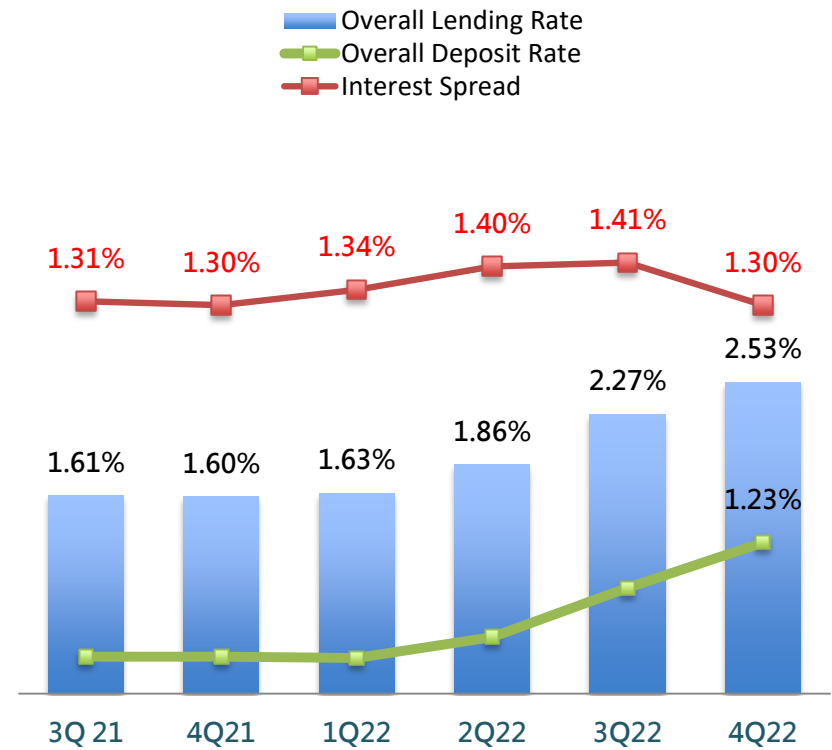


NIM and Spread

Quarterly Net Interest Margin



Quarterly Interest Spread

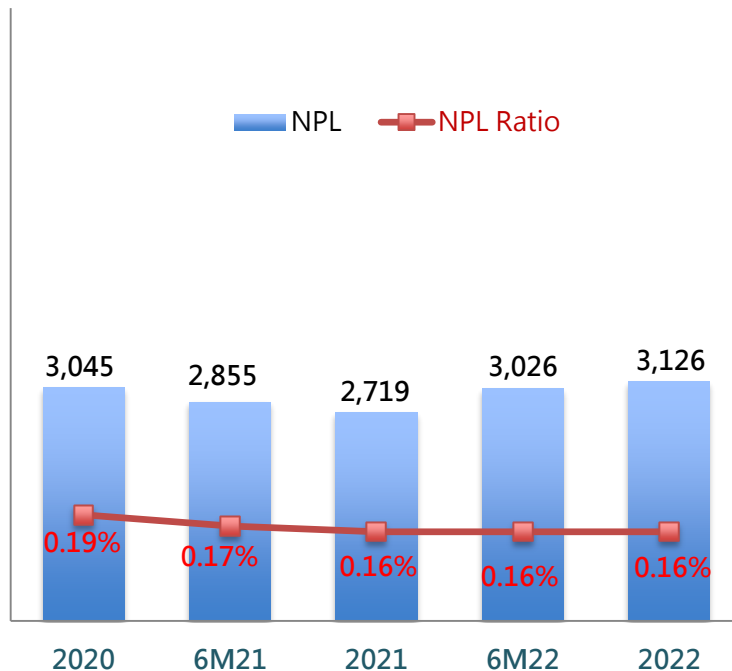




Superior Asset Quality ^{1/3}

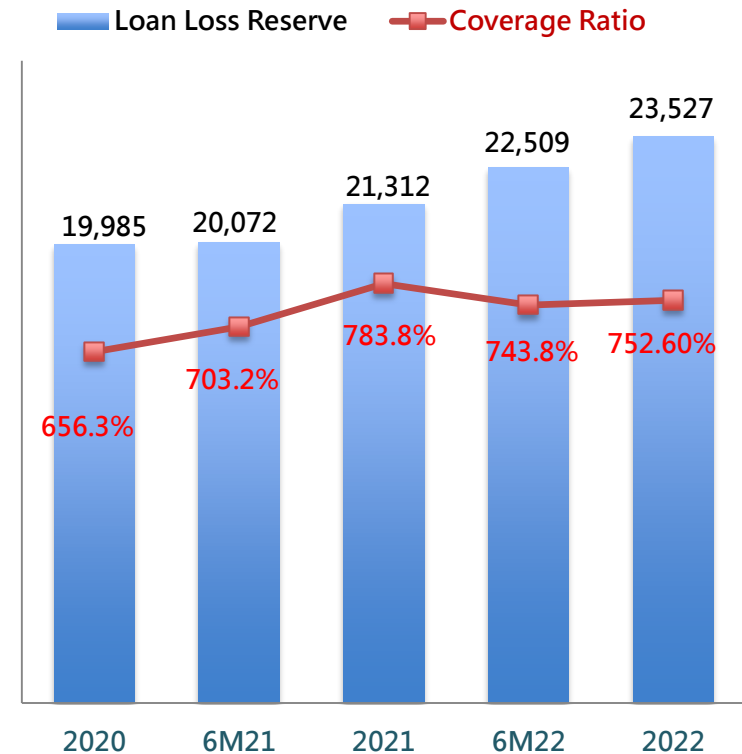
NPL Ratio

Unit: NT\$ million



Coverage Ratio

Unit: NT\$ million

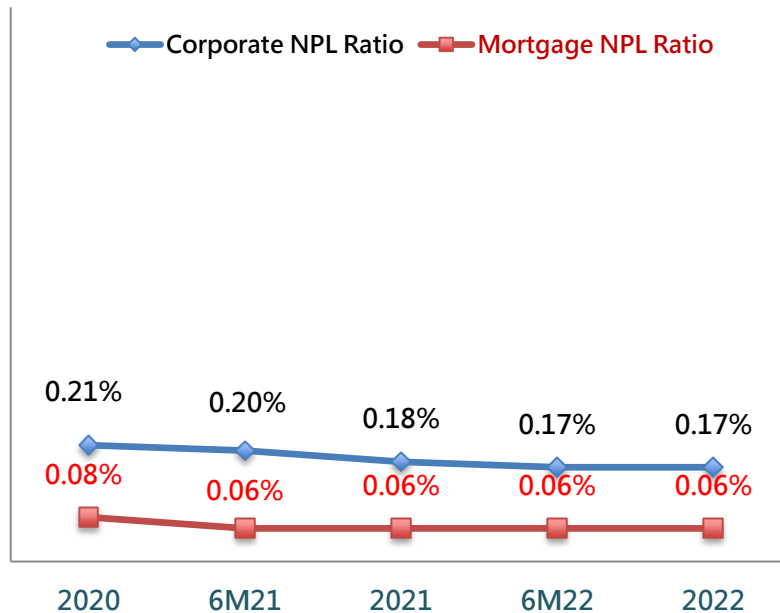


Note: Data of E.SUN Bank standalone



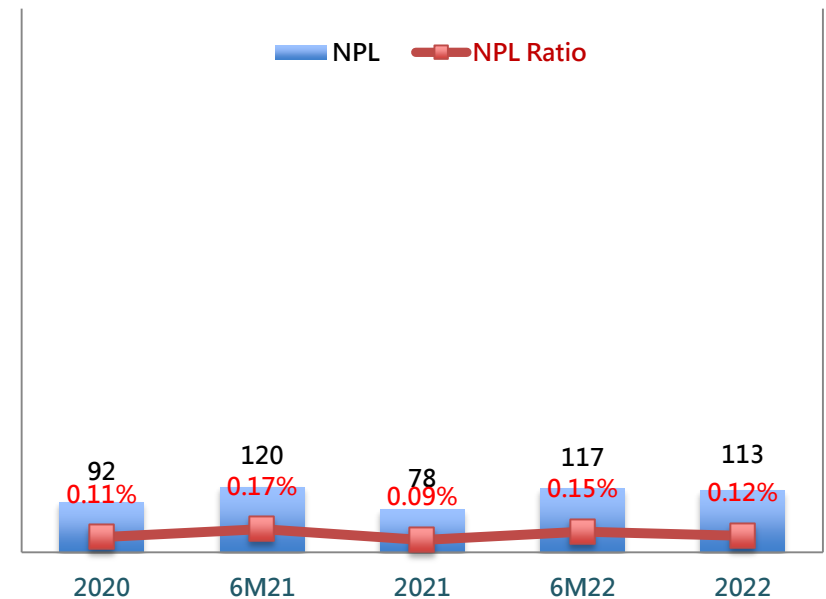
Superior Asset Quality ^{2/3}

NPL Ratio for Major Products



NPL Ratio for Credit Card

Unit: NT\$ million

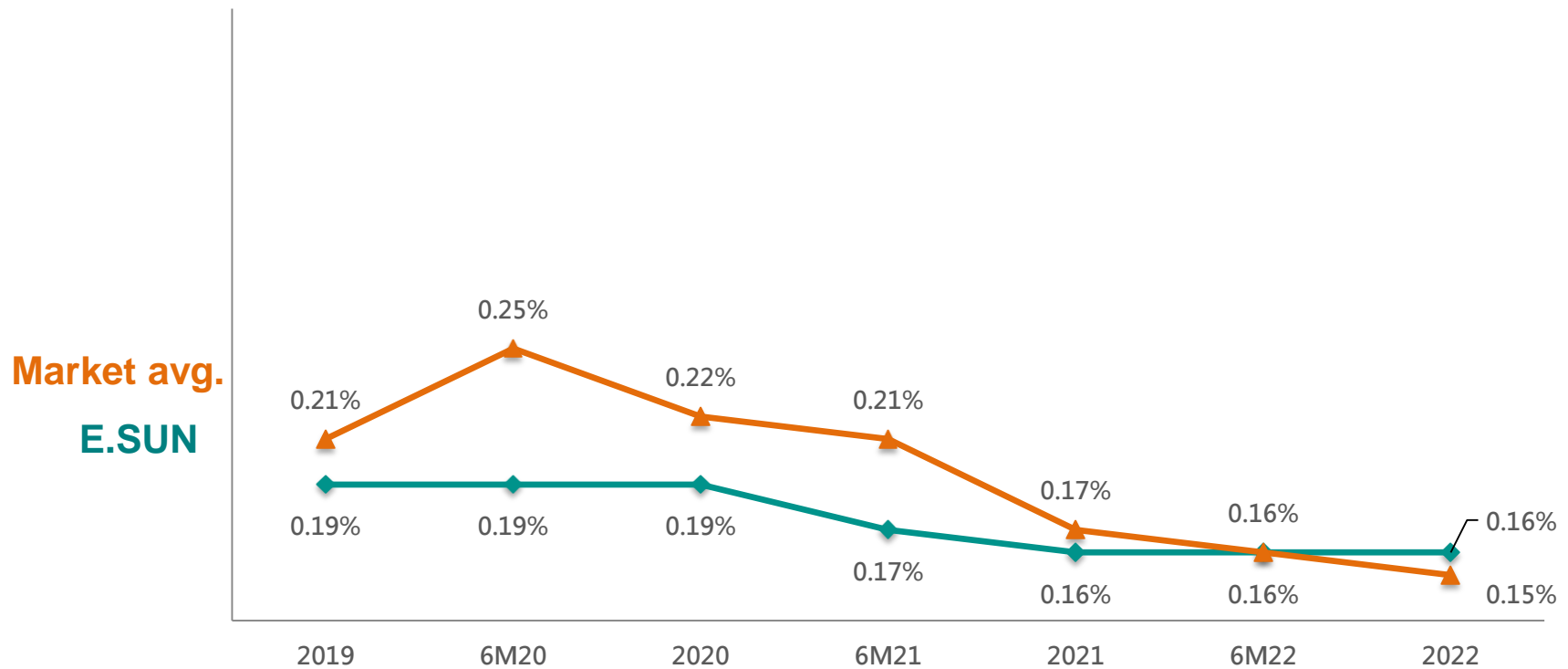


Note: Data of E.SUN Bank standalone



Superior Asset Quality ^{3/3}

NPL Comparison with Market



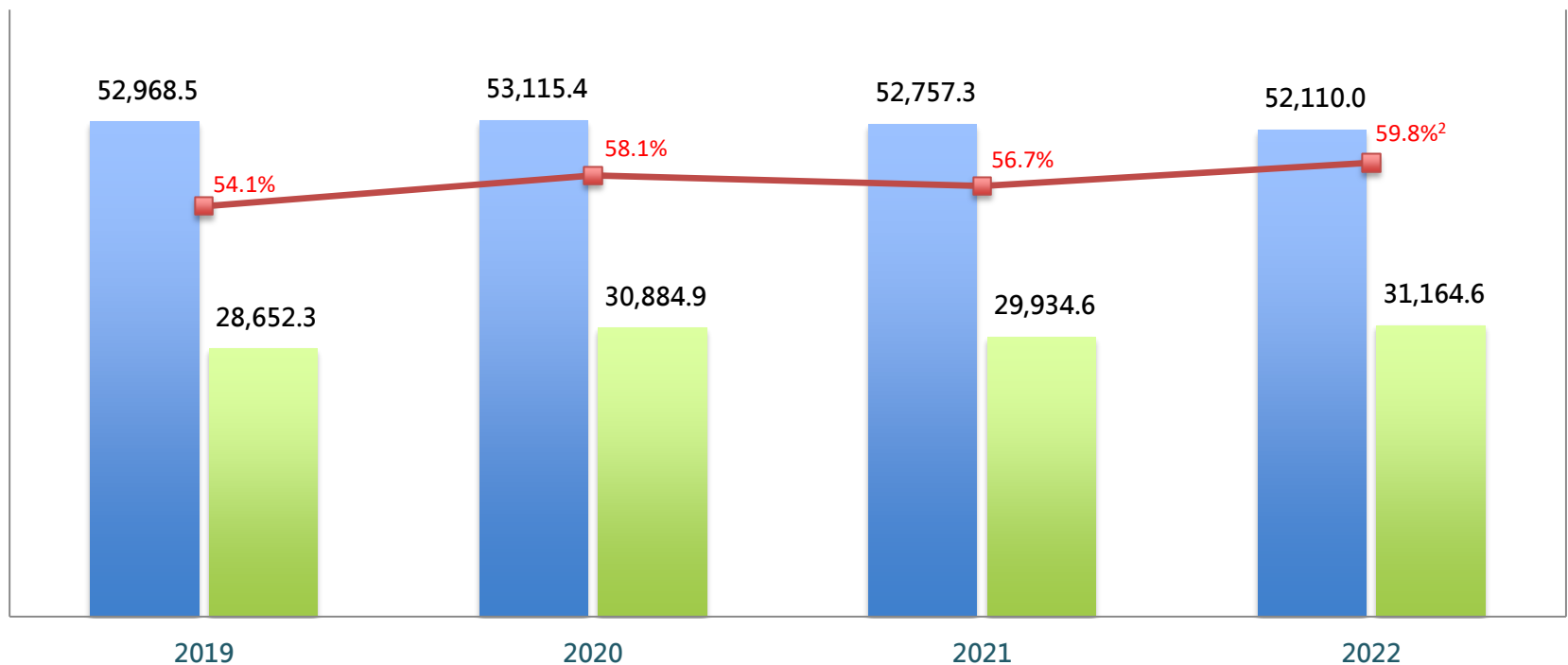
Source: FSC



Cost-Income Ratio

Unit: NT\$ million

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

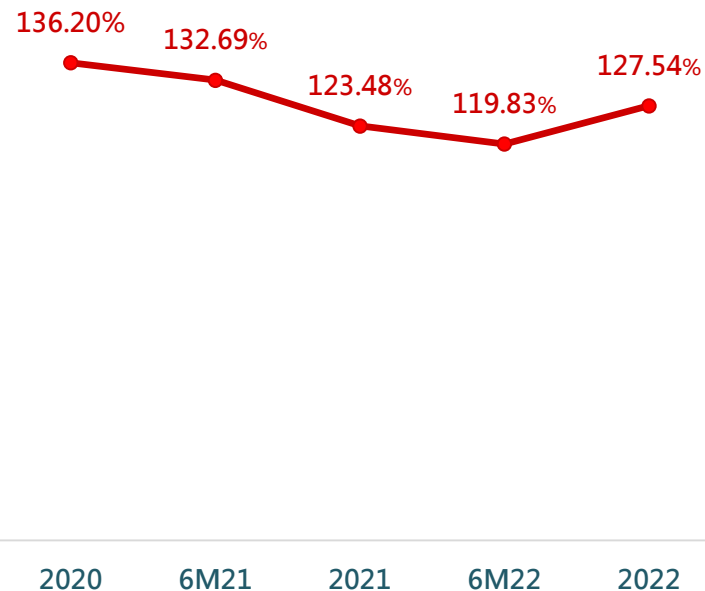


Note: 1. Data of E.SUN Bank
2. Audit figures of Dec. 2022



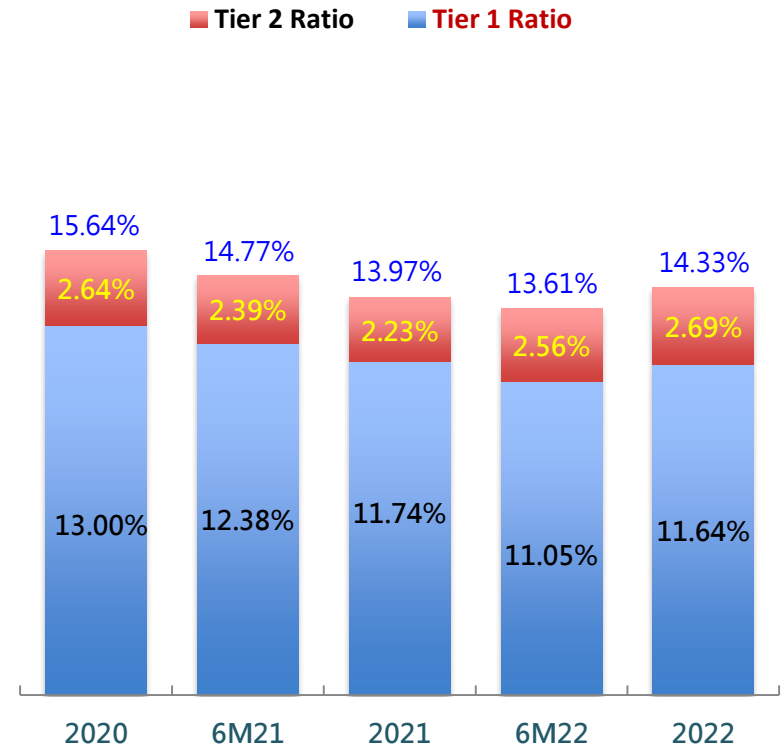
Capital Adequacy Ratio

FHC CAR Ratio



Note: 1. Audit figures of Dec. 2022
2. BIS of E.SUN Bank standalone

Bank BIS Ratio





Benchmark for Sustainability in Asia

Together for Implementation



Chairman of E.SUN Bank, Joseph Huang gave a speech in World Climate Summit, COP 27. Speech Title: “The new climate finance in Taiwan”



Pioneer of sustainable financing

Corporate transformation

- ✓ **ESG linked loan NT \$40.6 billion**
- ✓ **#1 in issuance of sustainability bond**
- ✓ **34% of corporate loan is sustainability related**

Industry development

- ✓ **Most in Equator Principal loan cases**
- ✓ **Most diversified in renewable energy**
- ✓ **Inclusive financing (local business, social innovation etc.) NT \$18.1 billion**

Individual's participation

- ✓ **Innovative trust service for elderly**
- ✓ **The virtual E.SUN e credit card**
- ✓ **ESG theme mutual fund, green building mortgage, urban renovation mortgage**

Update: 2022.12



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 Dec. 31, 2022

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	228,865	846	465	442	229,134
Securities, net	1,049,340	1,899	4,488	126	1,055,846
Loans, net	1,934,792	-	-	-	1,934,792
A/R, net	115,768	10,221	-	80	125,989
Land, premises and equipments, net	34,067	377	2	3	34,709
Others	95,192	4,454	24	204,539	99,090
Total assets	3,458,024	17,797	4,979	205,190	3,479,560
Liabilities:					
Deposits	2,902,696	-	-	-	2,900,914
Other liabilities	363,783	11,048	102	8,264	381,555
Total liabilities	3,266,479	11,048	102	8,264	3,282,469
Total stockholders' equity	191,545	6,749	4,877	196,926	197,091
Total equity attributable to owners of the company	191,370	6,749	4,877	196,926	196,926
Non-Controlling interests	175	-	-	-	165
Total liabilities and stockholders' equity	3,458,024	17,797	4,979	205,190	3,479,560

Note: Audit figures of Dec. 2022



P&L of E.SUN FHC and its subsidiaries for 12M2022

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	29,239	424	0	(48)	29,618
Net fee income	17,135	2,149	-	-	19,280
Net trading income/(loss) & Derivatives & FX	5,564	32	145	3	5,743
Others	172	183	10	15,951	165
Total Net Revenues	52,110	2,788	155	15,906	54,806
Allowance for bad-debt expenses	(2,081)	4	0	0	(2,077)
Operating expenses	(31,164)	(1,563)	(22)	(333)	(32,826)
Income before income tax	18,865	1,229	133	15,573	19,903
Income tax expenses	(4,032)	(225)	(51)	186	(4,122)
Net Income	14,833	1,004	82	15,759	15,781
Attributable to owners of the company	14,809	1,004	82	15,759	15,759
Non-controlling interests	24	0	0	0	22

Note: Audit figures of Dec. 2022



E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly		Quarterly Results			
	2019	2020	2021	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Assets :									
Cash and due from banks	128,579	175,722	210,608	189,310	210,608	208,307	198,487	255,725	229,134
Securities, net	742,487	998,478	1,037,395	942,780	1,037,395	1,028,826	1,013,388	990,267	1,055,846
Loans, net	1,444,322	1,620,374	1,768,641	1,723,385	1,768,641	1,826,344	1,872,442	1,917,410	1,934,792
A/R, net	113,150	116,686	124,412	120,435	124,412	119,207	116,586	129,843	125,989
Land, premises and equipments, net	33,351	33,291	33,881	33,316	33,881	34,078	34,036	34,325	34,709
Others	36,469	27,194	55,971	43,111	55,971	75,752	108,375	164,094	99,090
Total assets	2,498,358	2,971,745	3,230,908	3,052,337	3,230,908	3,292,514	3,343,314	3,491,664	3,479,560
Liabilities:									
Deposits	2,082,070	2,484,605	2,693,343	2,550,344	2,693,343	2,711,688	2,774,699	2,852,345	2,900,914
Other liabilities	243,107	305,539	343,180	312,332	343,180	384,372	384,892	453,741	381,555
Total liabilities	2,325,177	2,790,144	3,036,523	2,862,676	3,036,523	3,096,060	3,159,591	3,306,086	3,282,469
Total stockholders' equity	173,181	181,601	194,385	189,661	194,385	196,454	183,723	185,578	197,091
Total equity attributable to owners of the company	173,058	181,469	194,226	189,515	194,226	196,294	183,572	185,424	196,926
Non-Controlling interests	123	132	159	146	159	160	151	154	165
Total liabilities and stockholders' equity	2,498,358	2,971,745	3,230,908	3,052,337	3,230,908	3,292,514	3,343,314	3,491,664	3,479,560

Note: Audit figures of Dec. 2022



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

NT\$ million	Yearly Results			Quarterly Results					
	2019	2020	2021	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
Operating income									
Net interest income	19,871	21,339	25,984	6,576	6,977	7,384	7,876	7,756	6,602
Fee income	18,725	19,831	21,324	5,519	5,393	5,173	4,649	4,728	4,730
Net trading income/(loss) & Derivatives & FX	15,629	14,707	10,366	3,036	2,227	936	(477)	1,800	3,484
Others	298	372	223	57	71	58	85	64	(42)
Total Net Revenues	54,523	56,249	57,897	15,188	14,668	13,551	12,133	14,348	14,774
Allowance for bad-debt expenses	(1,598)	(3,226)	(2,130)	(769)	(1,051)	(344)	(532)	(615)	(586)
Operating expenses	(29,855)	(32,494)	(31,808)	(7,989)	(8,236)	(7,868)	(7,700)	(8,131)	(9,127)
Income before income tax	23,070	20,529	23,959	6,430	5,381	5,339	3,901	5,602	5,061
Income tax expenses	(2,950)	(2,481)	(3,373)	(786)	(694)	(1,012)	(1,133)	(1,037)	(940)
Net Income	20,120	18,048	20,586	5,644	4,687	4,327	2,768	4,565	4,121
Income Attributable to owners of the company	20,105	18,027	20,559	5,638	4,674	4,325	2,760	4,563	4,111
Non-Controlling interests	15	21	27	6	13	2	8	2	10

Note: Audit figures of Dec. 2022



E.SUN Bank's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results					
	2019	2020	2021	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Assets :									
Cash and due from banks	128,432	175,678	210,382	189,224	210,382	207,909	198,314	255,395	228,865
Securities, net	737,525	970,129	1,030,673	936,773	1,030,673	1,021,388	1,006,447	983,563	1,049,340
Loans, net	1,444,322	1,620,374	1,768,641	1,723,385	1,768,641	1,826,344	1,872,442	1,917,410	1,934,792
A/R, net	103,686	102,012	108,589	103,123	108,589	102,984	103,001	117,389	115,768
Land, premises and equipments, net	32,725	32,689	33,266	32,698	33,266	33,475	33,431	33,699	34,067
Others	34,320	46,097	44,566	38,544	44,566	71,903	104,888	160,200	95,192
Total assets	2,481,010	2,946,979	3,196,117	3,023,747	3,196,117	3,264,003	3,318,523	3,467,656	3,458,024
Liabilities:									
Deposits	2,083,226	2,486,232	2,696,351	2,553,779	2,696,351	2,713,813	2,784,022	2,854,324	2,902,696
Other liabilities	226,694	282,949	311,650	285,634	311,650	361,155	356,452	433,404	363,783
Total liabilities	2,309,920	2,769,181	3,008,001	2,839,413	3,008,001	3,074,968	3,140,474	3,287,728	3,266,479
Total stockholders' equity	171,090	177,798	188,116	184,334	188,116	189,035	178,049	179,928	191,545
Total equity attributable to owners of the company	170,959	177,657	187,947	184,178	187,947	188,864	177,888	179,765	191,370
Non-Controlling interests	131	141	169	156	169	171	161	163	175
Total liabilities and stockholders' equity	2,481,010	2,946,979	3,196,117	3,023,747	3,196,117	3,264,003	3,318,523	3,467,656	3,458,024

Note: Audit figures of Dec. 2022



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

NT\$ million	Yearly Results			Quarterly Results					
	2019	2020	2021	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
Operating income									
Net interest income	19,657	21,095	25,591	6,467	6,872	7,278	7,772	7,670	6,519
Fee income	17,712	18,044	18,289	4,713	4,717	4,567	4,073	4,216	4,279
Net trading income/(loss) & Derivatives & FX	15,297	13,593	8,647	2,558	1,650	485	(529)	1,958	3,650
Others	302	383	230	61	70	60	88	66	(42)
Total Net Revenues	52,968	53,115	52,757	13,799	13,309	12,390	11,404	13,910	14,406
Allowance for bad-debt expenses	(1,603)	(3,241)	(2,134)	(769)	(1,051)	(345)	(532)	(617)	(587)
Operating expenses	(28,652)	(30,885)	(29,935)	(7,436)	(7,809)	(7,421)	(7,303)	(7,694)	(8,746)
Income before income tax	22,713	18,989	20,688	5,594	4,449	4,625	3,568	5,599	5,073
Income tax expenses	(3,054)	(2,501)	(3,101)	(668)	(784)	(950)	(931)	(1,151)	(1,000)
Net Income	19,659	16,488	17,587	4,926	3,665	3,675	2,637	4,448	4,073
Attributable to owners of the company	19,643	16,465	17,559	4,920	3,652	3,674	2,627	4,445	4,063
Non-controlling interests	16	23	28	6	13	1	10	3	10

Note: Audit figures of Dec. 2022